

# United States Senate

WASHINGTON, DC 20510

July 16, 2018

The Honorable Rick Perry  
Secretary  
U.S. Department of Energy  
1000 Independence Avenue SW  
Washington, DC 20585

Dear Secretary Perry:

We write to encourage you to support the continued and robust use by the Western Area Power Administration (WAPA) of its Transmission Infrastructure Program (TIP).

We share your Administration's objective of upgrading and investing in the Nation's infrastructure, including the electric grid. TIP is one of the few federal programs that directly supports new and upgraded electric transmission. TIP has helped address transmission gaps, congestion constraints, and other upgrades across WAPA's footprint, including over 300 miles of high-voltage construction and upgrades. It is a critical part of delivering high-quality, affordable new electric generation to load centers across our region.

TIP's revolving loan portfolio has ensured federal funds are repaid with interest and made available to future projects in turn. The program's focus on attracting private capital ensures that WAPA leverages federal funds wisely. The separation of projects under TIP from all other WAPA power and transmission facilities prevents any inappropriate financial underwriting of these projects by WAPA's preference customers.

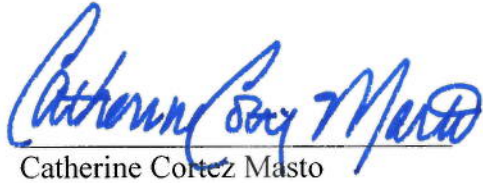
We believe WAPA has improved its implementation of TIP since the program's creation, including how it vets projects and monitors construction. The program offers applicants a low cost of capital, valuable WAPA transmission expertise, and other associated benefits. The authority for WAPA to participate as an equity owner rather than merely a financing partner in some projects remains a valuable opportunity as well. Not every applicant has taken advantage of TIP in the same way, but this suite of program attributes continue to make TIP an important part of electricity policy in the West.

We understand that pending projects in our states are still undergoing review by WAPA. We hope that WAPA, after conducting appropriate due diligence, will not hesitate to execute final agreements with projects that meet the program's criteria. We believe that over time this collection of TIP-assisted projects will benefit the Western Interconnection as a whole.

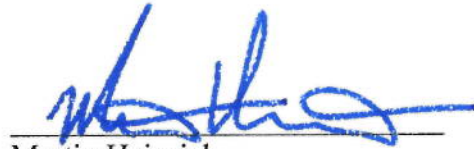
We also note our opposition to the Administration's Fiscal Year 2019 Budget proposal to repeal the borrowing authority that is at the heart of TIP. Effectively eliminating TIP would be a major step backward in infrastructure policy. We hope the Administration reconsiders this proposal.

Thank you for your consideration.

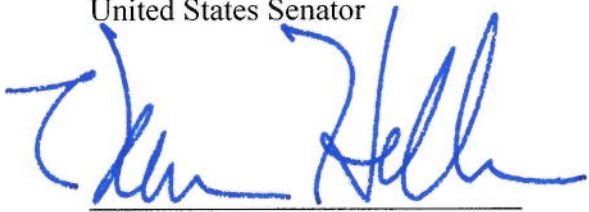
Sincerely,



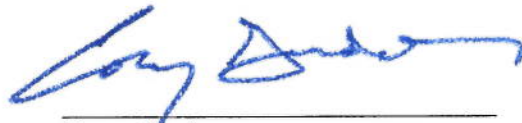
Catherine Cortez Masto  
United States Senator



Martin Heinrich  
United States Senator



Dean Heller  
United States Senator



Cory Gardner  
United States Senator