



**National Rural Electric  
Cooperative Association**

A Touchstone Energy® Cooperative 

May 1, 2013

The Honorable Debbie Stabenow  
Chairwoman  
U.S. Senate Committee on Agriculture, Nutrition and Forestry  
328A Russell Senate Office Building  
Washington, DC 20510

The Honorable Thad Cochran  
Ranking Member  
U.S. Senate Committee on Agriculture, Nutrition and Forestry  
328A Russell Senate Office Building  
Washington, DC 20510

Dear Chairwoman Stabenow and Ranking Member Cochran:

NRECA appreciates the opportunity to respond to the Senate Agriculture Committee's request for input as you consider the reauthorization of the Commodity Futures Trading Commission (CFTC) this year.

NRECA is the national service organization representing over 900 not-for-profit, member-owned, rural electric cooperative systems, which serve 42 million customers in 47 states. NRECA estimates that cooperatives own and maintain 2.5 million miles or 42 percent of the nation's electric distribution lines covering three-quarters of the nation's landmass. Cooperatives serve approximately 18 million businesses, homes, farms, schools and other establishments in 2,500 of the nation's 3,141 counties.

Electric cooperatives are commercial end-users and not financial entities. Through the implementation of *the Wall Street Reform and Consumer Protection Act* ("Dodd-Frank Act"), we have filed comments on approximately 50 rules that could impact our members. We believe that CFTC reauthorization is a process where Congressional oversight helps ensure that the CFTC is implementing the Dodd-Frank Act as Congress intended. To that end, NRECA believes that Congress should ensure that resources at the CFTC are prioritized to protect against systemic risk to our financial system, and not needlessly focused on the legitimate hedges of end-users.

Through CFTC reauthorization, we would like to offer the Committee ideas to protect end-users from being subjected to unnecessary, burdensome and costly regulations. To assist end-users such as electric cooperatives, we suggest the creation of an "end-user ombudsman," or type of independent advocate specifically for end-users within the CFTC. Additionally, we would suggest that the CFTC dedicate a special section of the Commission's website to end-users with information specifically designed for their needs. We believe end-users would benefit from such actions to provide attention to end-user concerns, and more quickly bring those concerns to resolution within the CFTC.

We look forward to discussing these and other ideas to support end-users as your Committee moves forward with CFTC reauthorization.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kirk Johnson', with a long horizontal stroke extending to the right.

Kirk Johnson  
Senior Vice President, Government Relations  
National Rural Electric Cooperative Association