



Andrew M. Vehorn
Vice President of Government Affairs
4201 Dominion Boulevard
Glen Allen, VA 23060
(804) 297-3486
avehorn@vmdaec.com

Dereck E. Davis
Chair, Economic Matters Committee
House of Delegates
House Office Building, Room 231
6 Bladen St., Annapolis, MD 21401

Delegate Davis:

On behalf of the 15 electric cooperatives in Virginia, Maryland, and Delaware; I am writing in support on SB 540/ HB 999. This legislation will permit Choptank Electric Cooperative to provide broadband to the residents of Maryland's Eastern Shore.

Electric Cooperatives are uniquely suited to address Maryland's – and the Country's – rural broadband crisis, because, simply, we've already solved this problem once. Washington, D.C. got electricity in the late 1800s. Many parts of the Eastern Shore didn't receive electricity until the co-op brought it in 1938 – almost 50 years later. The same is true of broadband today. Broadband is a necessary part of life; for our children to do their homework, for our farmers to engage in precision agriculture that keeps our Bay clean, and for our energy future as utility-scale solar arrays require broadband access to regulate the grid. Electric Cooperatives have poles and wires to every home in rural America – and are a natural partner in solving this issue.

As not-for-profit electric utilities, cooperatives are wholly owned and governed locally by their communities. SB 540/ HB 999 removes the costly double regulatory burden that exists today for Choptank Electric Cooperative. That double regulation is prohibiting their expansion into broadband. The Public Service Commission's charge is to balance the needs of utilities and their shareholders, with the obligations and protections of the ratepayers. For electric cooperatives, our rate payers and shareholders are the same. This legislation does remove Choptank Electric Cooperative from regulation – it allows it to be regulated locally by the communities it serves – as most co-ops across the country are.

I urge you to support SB 540 and HB 999 to allow Choptank Electric Cooperative to bring broadband access to Maryland's Eastern Shore.

Sincerely,

Andrew Vehorn