



Thomas R. Kuhn
President

June 2, 2015

The Honorable John Boehner
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Michael Conaway
Chairman, House Agriculture Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Collin Peterson
Ranking Member, House Agriculture Committee
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Boehner, Leader Pelosi, Chairman Conaway, and Ranking Member Peterson:

On behalf of the member companies of the Edison Electric Institute (EEI), I want to express our strong support for H.R. 2289, the Commodity End-User Relief Act. Key provisions in the legislation provide additional certainty and clarify congressional intent on a number of issues of significant importance to EEI members.

EEI is the association of U.S. investor-owned utilities, international affiliates and industry associates worldwide. Our members provide electricity for 220 million Americans, directly employ more than a half-million workers, and operate in all 50 states. With approximately \$90 billion in annual capital expenditures, the electric utility industry is responsible for providing reliable, affordable, and increasingly clean electricity that powers the economy and enhances the lives of all Americans.

EEI members are non-financial entities that participate in the physical commodity market and rely on swaps and futures contracts primarily to hedge and mitigate their commercial risk. The goal of our member companies is to provide their customers with reliable electric service at affordable and stable rates, which has a direct and significant impact on literally every area of the U.S. economy. Since wholesale electricity and natural gas historically have been two of the most volatile commodity groups, our member companies place a strong emphasis on managing the price volatility inherent in these wholesale commodity markets to the benefit of their customers. The derivatives market has proven to be an extremely effective tool in insulating our customers from this risk and price volatility. In sum, our members are the quintessential commercial end-users of swaps.

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As such, regulations that make effective risk management options more costly for end-users of swaps will likely result in higher and more volatile energy prices for retail, commercial, and industrial customers. H.R. 2289 goes a long way in providing much needed regulatory relief and even greater clarity to the compliance landscape facing EEI and the entire end-user community going forward.

Thank you for your leadership on these important issues. We look forward to working with you to advance this legislation through the House.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Kuhn". The signature is fluid and cursive, with a large initial "T" and "K".

Thomas R. Kuhn