

March 11, 2021

Dear [Senator/Representative],

On behalf of the Virginia, Maryland, & Delaware Association of Electric Cooperatives (VMDAEC), I write to ask that you urge Postmaster General DeJoy and the Board of Governors of the United States Postal Service to oppose the increase of postal rates higher than the rate of inflation, or Consumer Price Index (CPI).

Electric cooperatives face significant detrimental impact across multiple programs from a potential postal rate increase of 6% - 8.5% on mail sent to co-op members. As you know, electric cooperatives provide electric service and numerous programs to our members in rural Virginia, Maryland, and Delaware. Given the digital divide that leaves much of cooperative service territory unconnected to broadband internet service, many of our communications with members happen via USPS mail.

VMDAEC also publishes *Cooperative Living*, a monthly magazine distributed to members of the Association's member cooperatives. *Cooperative Living* has the largest readership of any publication in Virginia, reaching more than 510,000 readers. *Cooperative Living* is a key part of how cooperatives communicate with their members—many of whom still do not have broadband. *Cooperative Living* features news and stories as well as important notices for co-op members and information about community resources and events. As a "not-for-profit periodical," *Cooperative Living* would incur the highest postage rate of the proposed increases at 8.5%.

As I am sure you are also familiar, electric cooperatives are not-for-profit electric utility providers and are owned by our members. As such, we have a financial responsibility to be good stewards of our budgets and are very sensitive to cost increases that could have negative impacts on our members. The proposed increases to USPS rates will place a tremendous burden on electric cooperatives and the members we serve.

It is our understanding that USPS is set to decide on this proposed rate increase in late March, after which the new rate structure will take effect this summer, in either June or July of 2021. This will happen while co-ops and their members continue to face economic hardship amidst the COVID-19 pandemic and subsequent economic crisis.

We hope you will amplify our concerns and the expected negative impacts to co-op members by contacting Postmaster General DeJoy and the Board of Governors of the Postal Service to advocate that any postal rate increase does not exceed the rate of inflation.

We appreciate your continued support.

Sincerely,



Richard G. Johnstone, Jr.
President & CEO
Virginia, Maryland, & Delaware Association of Electric Cooperatives