



**Jim Matheson**  
**Chief Executive Officer**

December 1, 2021

President Joseph R. Biden, Jr.  
The White House  
1600 Pennsylvania Ave. NW  
Washington, DC 20500

Dear President Biden:

I am writing on behalf of the nearly 900 electric cooperative members of the National Rural Electric Cooperative Association (NRECA) to urge your administration to take immediate action to alleviate supply chain delays and bottlenecks negatively impacting electric cooperatives. Your leadership is critical as we head into the winter months when affordable, reliable electricity is especially imperative and the consequences of delayed power restoration due to supply chain delays are especially dire.

Not-for-profit electric cooperatives are owned by the people they serve and comprise a vital segment of the electric industry. From growing regions to remote farming communities, electric cooperatives power one in eight Americans and serve as engines of economic development for 42 million Americans across 56 percent of the nation's landmass.

Supply chain delays are contributing to an alarming shortage of the most basic machinery and components essential to ensuring continued reliability of the electric system. The typical lead time for three-phase transformers of 10-12 weeks has ballooned to eight months. Some manufacturers of pole mounted transformers are declining to accept new orders all together as a result of historic backlogs. Additionally, the lead time for substation transformers has been extended by a full year. Orders for electrical conduit have been delayed five-fold to 20 weeks and costs are up 200 percent year over year. The shortage of microchips worldwide has made digital meter availability a challenge as well.

These delays mean that some electric cooperatives face impossible choices as they restore power after an outage, work to provide new service to areas under construction or upgrade existing service to ensure reliability. The compounding impact of ongoing supply chain delays, COVID-related workforce dynamics, and scarcity of fuel supplies could result in significant consequences for all Americans, including higher electric bills amidst price increases economywide as we approach the winter season.

While we recognize the magnitude of this problem, we urge you to take all possible actions to alleviate these challenges facing electric cooperatives and the well-being of millions of Americans who depend on them. Please contact me if I can provide additional perspective on this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Matheson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jim Matheson

CC: The Honorable Lloyd Austin, Secretary of Defense  
The Honorable Gina Raimondo, Secretary of Commerce  
The Honorable Pete Buttigieg, Secretary of Transportation  
The Honorable Jennifer Granholm, Secretary of Energy  
Brian Deese, Director of the National Economic Council (NEC)