

Co-ops exist because people in rural areas worked together to form non-profit organizations to serve rural Minnesotans. Now, third party companies have become more active in trying to operate within cooperative territories. These third party companies are looking to take the most profitable customers and leave the cost of maintaining the grid in the rural areas of Minnesota to fewer and fewer rural residents. How do you believe situations with third party companies should be handled?

Kanne: As a customer who is only served by such a company, what I see is actually no way of choosing any alternative when buying electricity as a customer. In the rural area it is rarely profitable to extend lines away from existing infrastructure. The REAs were a result of Federal efforts, FDR's presidential executive order of 1935 to establish the rural electrification act, to make electricity available to our rural areas. The mission therefor of the REAs is too provide power to those areas that are not cost effective to put lines into. If continued federal subsidies are needed then this would be a federal question.