

**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?**

**Falk:** This is kind of a Catch 22 scenario. The same interests who advocate that they want more competition from all forms of generation in opposition to renewable energy or energy efficiency standards are also advocating against competition when it comes to serving customers. As more community-based and dispersed generation options and technologies become available, I do not see this issue going away. There are no easy answers

Current statute limits third party companies to providing electrical service to 24 customers before being regulated as a utility. I do think that some of these decisions are best left to the Public Utilities Commission (PUC), which has a much more extensive history in dealing with these kinds of disputes than in the Legislature. I do recognize that only the Legislature can change statute, and perhaps that needs to be done in this section of law. However, any changes made should further employ the resources of the PUC because ultimately they are better equipped to weigh who is allowed to compete for customers and service territories and ultimately which utility is left with the stranded costs of maintaining the distribution resources.

**Miller:** Allow co-ops to compete on level playing grounds. Are they? If third party companies are “poaching” profitable customers are they also carrying the burden of the infrastructure behind it? In office I look forward to working with the electric cooperatives within my district to develop a comprehensive plan that will address their challenges and provide the best service possible for our residents.