

August 8, 2014

TO: NRECA Board of Directors
Distribution CEOs
Statewide Managers
G&T Managers

FROM: Jo Ann Emerson

Great Visit with Kansas Co-ops!

A big thank you to the Kansas co-ops for their warm hospitality during the [statewide association](#)'s annual meeting. We talked about how EPA's GHG regulations will impact co-ops and getting our message to congressional delegations during the August recess. We also discussed efforts to get Congress to pass Endangered Species Act legislation that would reform the process for species listings and critical habitat designations. I also traveled with Steve Foss, CEO of Leavenworth-Jefferson Electric, to see their [Stranger Substation](#), headquarters and their operations at Ft. Leavenworth, KS. It was great to visit with some of the co-op [board and staff](#)!

August Recess is Your Time to Tell Your Co-op's Story

Now is the time to tell your co-op's story and our positions on federal issues while your lawmakers are home for the August recess. Make sure to review the [August Action Toolkit](#) with our talking points and useful tips to plan meetings with members of Congress. We're urging them to take action on the key issues of EPA's GHG rules, water heater efficiency and increased broadband access. Habersham EMC in northeast Georgia followed up their appearance at last week's EPA listening session in Atlanta by inviting Gov. Nathan Deal to their annual meeting, where he made some of his strongest public statements to date about EPA's proposed GHG rules and the likely "serious economic impacts."

'All-of-the-Above' Campaign Update: Keep the Messages Coming!

You've collected more than 730,000 grassroots comments through [Action.coop](#) and [TellePA.com](#). We still have time to get 1 million messages to EPA by the October 16 deadline. Please remind your co-op grassroots and our coalition friends to visit Action.coop and TellePA.com. Check your progress on [messages](#) and [state](#) tallies. (These ***special read-only links*** let you see the information without logging on to Cooperative.com. You still must log on for sensitive and confidential information.) East Central Electric (OK) collected 250 messages at its annual meeting, doubling its messages to EPA on the existing plants proposal.

Co-ops Speak on Electric Infrastructure and Captive Rail Shipper Issues

We're proud of Sean Craig of Dairyland Power (WI), Claire Vigesaa of Upper Missouri Power (MT) and Mike Eggl of Basin Electric Power (ND) for presenting electric co-op views on energy infrastructure and coordination issues at Quadrennial Energy Review forums today. Craig

highlighted the need for addressing problems with railroad competition and the need for improved service for captive shippers at the Chicago [forum](#) on transportation issues. He also spoke about the need for electric grid infrastructure improvements to meet future energy demands. Vigesaa and Eggl presented co-op viewpoints on electricity infrastructure needs at the [forum](#) in Bismarck, ND. While the overall U.S. energy demand is flat, they highlighted that some regions, like North Dakota, are experiencing energy booms and major growth.

Army Corps Settles Lawsuit on EPA Permits for Hydropower Dams

We're reviewing an Army Corps of Engineers settlement agreement that requires the Corps to get Clean Water Act pollution discharge permits from EPA for several large federal hydropower dams. The 2013 lawsuit by Columbia Riverkeepers argued the Army Corps should be required to get permits for oil leaking from gates, turbines and other equipment at eight dams along the Columbia and Snake rivers in Oregon and Washington. The Army Corps has spill prevention and response plans for leaks, but Clean Water Act discharge permits were not required. The settlement covers the Bonneville, Dalles, John Day, McNary, Ice Harbor, Lower Monumental, Little Goose and Lower Granite dams. Environmental groups are hoping the case sets a precedent for pollution discharge permits at dams across the country.

NRECA Emphasizes Importance of Rural Electrification during Africa Summit

My guest column in [The Hill](#) during the high-level Africa summit in D.C. this week highlighted the importance of rural electrification for the future of African quality of life and economic development through efforts like the Electrify Africa legislation passed by the House. I stressed the Power Africa initiative to boost electricity infrastructure can produce dramatic economic dividends for Africans – and also benefit U.S. businesses – just as it did for rural Americans in the 20th century.

We appreciate the President recognizing the roles of the Tennessee Valley Authority and cooperative model in extending electric power to rural America and suggesting them as models for African development during an interview with the [Economist](#). The Office of Management and Budget, which has supported proposals in recent years that would undermine [TVA](#) and electric co-ops, should take note!

Accounting and Tax Implications of Community Solar

Sign up for our free [webinar](#) on Accounting and Tax Implications of Community Solar on Monday, August 18 (2 p.m. Eastern). This session hosted by NRECA's Russ Wasson will be helpful for co-ops that may participate in the National Renewables Cooperative Organization's Community Solar Program. We'll talk about the accounting and tax implications for co-ops participating in the program and show a template for accounting entries and tax reporting over the life of your project and the required Form 990 disclosures. The session is open to all member co-ops' accounting and finance staff and CPA firms that serve NRECA members.

FERC Commissioner Norris Resigns, Bay Sworn In

FERC Commissioner John Norris announced he is resigning to take an appointment as USDA Minister-Counselor in Italy. He was reappointed to a five-year term in 2012. Norris' resignation

again leaves FERC with an open seat to be filled by the President. Norris was chief of staff for Agriculture Secretary Tom Vilsack before he took the FERC seat. We've heard credible speculation that Arkansas Public Service Commission Chair Colette Honorable, who is also President of the National Association of Regulatory Utility Commissioners, is a possible choice by President Obama to fill the seat.

The news came just after FERC Commissioner Norman Bay was sworn in this week and will take his seat at the next commission meeting on September 18. Commissioner Bay, the former Director of FERC's Office of Enforcement, a former U.S. Attorney and University of New Mexico School of Law professor, is expected to become FERC Chairman next April 15.

Action Slows in Washington, Back in Touch August 29

With Congress back home for the August recess and regulatory action slowing, we're focused on getting ready for the upcoming Regional Meetings in September and October. I'll send you another legislative and regulatory update on August 29.