

September 26, 2014

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

FROM: Jo Ann Emerson

Exciting Time at Regional Meeting in Jacksonville

Thank you for a great meeting at Regions 2 and 3 in Jacksonville. Rep. Ander Crenshaw (R-FL) [welcomed](#) co-ops and spoke to co-op leaders about the importance of their consumer focus on affordability and reliability. Discussion on the [resolutions](#) continues to be engaging. I look forward to the Regions 7 and 9 meeting in Omaha on October 14-16.

President Orders Climate Change Reviews for International Development Efforts

We're reviewing the executive order President Obama announced at the U.N. Climate Change Summit and how it affects NRECA International projects. The order adds new climate impact reviews for all federal international development programs, including the U.S. Agency for International Development, USDA and other agencies that partner with NRECA International. It also requires agencies to consider climate resilience and future climate impacts in all international development project funding decisions.

We're concerned that adding more bureaucratic review on top of the in-depth environmental assessments that NRECA International does now will reduce the funds that actually go to improving access to affordable and reliable energy in less developed regions. Under the current review process for USAID projects, NRECA International has assisted developing countries start solar, wind, biomass and hydropower projects during the past 15 years. We're ready to do [more](#)!

'All-of-the-Above' Campaign Update: We're Nearly There, but Don't Let Up!

You've collected over 972,000 grassroots comments through [Action.coop](#) and [TellePA.com](#). We're on pace to reach to meet our goal of 1 million messages to EPA. As you continue to collect comments up until December 1, we're developing plans for making the most of your great work by publicizing the comments to our members, lawmakers and allies. Check your progress on [messages](#) and the [state](#) tallies.

NRECA Opposes Lawsuit Seeking Endangered Listing of Lesser Prairie Chicken

We'll file a motion in federal court early next week opposing a lawsuit filed by a group of environmental organizations aimed at forcing the Fish and Wildlife Service (FWS) to list the lesser prairie chicken as "endangered." The Center for Biological Diversity, Wildearth Guardians and Defenders of Wildlife filed the lawsuit after the FWS issued the "threatened" listing last March. While we were disappointed that the FWS listed the lesser prairie chicken as threatened, an endangered listing would make matters worse.

Co-ops in five states (Colorado, Kansas, New Mexico, Oklahoma and Texas) participated in a broad voluntary, collaborative effort to develop the range-wide plan for conservation of the lesser prairie chicken that should have made a listing unnecessary. The FWS' listing undermines future voluntary efforts and creates undue uncertainty and regulatory risk by inserting FWS as a federal supervisor over continuing state efforts to implement and build on the range-wide plan.

Court Asked to Delay Final Order Overturning Demand Response Regulation

Large power customers and FERC are asking a federal appeals court to delay issuing its final order on overturning FERC's demand response regulation ([Order No. 745](#)). They want time to consider filing an appeal to the U.S. Supreme Court to review the case after the appeals court rejected FERC's request for a rehearing last week. Last May, the appeals court agreed with NRECA, Old Dominion Electric Co-op and others that FERC exceeded its authority and intruded on states' jurisdiction when it issued a 2011 rule on compensation for demand response. Our position is FERC can't regulate retail transactions by re-characterizing them as wholesale services. FERC was attempting to regulate retail rates directly by ordering utilities to pay retail customers not to consume energy.

Co-ops Highlight Need for Electricity-Natural Gas Markets Coordination

We thank FERC Commissioner Philip Moeller for hosting an energy industry stakeholder discussion on natural gas supplies. NRECA and electric co-op leaders were among over 200 stakeholders who participated. We continue to emphasize that natural gas markets must remain reliable to avoid the supply problems and price spikes that happened during extreme cold weather last winter. Co-ops support greater coordination of electricity and natural gas markets and infrastructure improvements. There was a lot of discussion about starting a national gas information trading platform somewhat like the regional transmission organization trading platforms for electricity markets. The meeting was a good start, but FERC is unlikely to take any major action soon.

NRECA Urges Robust Broadband Service for Rural Americans; Bidding Date Pushed Back

We've sent comments (attached) urging the House Energy and Commerce Committee to ensure greater access to robust broadband service for rural Americans when it considers updating the 1996 Communications Act in the next Congress. We also urged the committee to encourage the FCC to improve the current minimum speed requirements and provide more competition in the Connect America Fund bidding by ending the right of first refusal for large telecommunications companies. The FCC [announced](#) today it is pushing back the rural broadband trials bidding date. Get updates at the FCC [rural broadband experiments](#) webpage about the webinar on Monday, October 9, at 2 p.m. (Eastern) on how to complete the rural broadband trials application (Form 560) for the bidding process.

Attached: NRECA broadband comments