

October 24, 2014

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

FROM: Jo Ann Emerson

A Strong Finish for Regional Meetings in Arkansas; 3 Co-ops Listed Among Global 300

A big thank you to Regions 8 and 10 for a great meeting in Little Rock and bringing the Regional Meetings to a strong finish. [Arkansas Gov. Mike Beebe](#) welcomed co-op representatives with praise for the electric co-ops' mission and their cooperation on economic development. [Acting RUS Administrator Jasper Schneider](#) presented the Rural Utilities Service program update. With Regional Meetings finished, the compendium of proposed resolutions will be sent to the NRECA Member Standing Committees for their consideration after the CEO Close Up Conference in January. Committee recommendations will get a final review by the National Resolutions Committee and will then be considered at the 2015 Annual Meeting.

I'm very proud of Basin Electric Power Cooperative (ND), Oglethorpe Power Corp. (GA) and Tri-State G&T Association (CO) for being recognized on the [Global 300](#) list based on revenues by the [World Co-operative Monitor](#). Basin Electric and Oglethorpe are also listed in the top 15 industry and utility cooperatives.

RUS New Energy Efficiency Program Launches with Loans to Co-ops

I'm excited that Roanoke Electric Membership Corp. (NC) and North Arkansas Electric Cooperative are getting [funding](#) through the Rural Utilities Service's new Energy Efficiency and Conservation Loan Program. The loans totaling \$10.6 million are the first issued under the program that will let electric co-ops provide their consumer-members microloans for energy efficiency upgrades to homes and buildings. Co-ops can set up on-bill repayment of the members' loans. Already, 96 percent of electric co-ops offer energy efficiency programs to members and this program will help them reach even more.

Federal Court Lifts Stay On Cross-State Emissions Rule

A federal appeals court in Washington, D.C., yesterday lifted its December 2011 stay of EPA's Cross-State Air Pollution Rule (CSAPR), a rule that requires 28 states to reduce power plant emissions that cross state borders. The court denied motions by the state of Texas to vacate the rule for Texas and by environmental groups to skip Phase I and implement stricter Phase II requirements. Emission reductions under Phase I start January 1, 2015, with Phase II requiring a second ratchet in 2017. We're reviewing the order, which follows a U.S. Supreme Court decision in April to uphold CSAPR.

There are outstanding issues, potentially affecting individual state and utility obligations raised

in the original lawsuit that will go forward in court. Any rulings on these remaining issues could affect Phase I obligations, but are more likely to affect Phase II obligations. It's not yet clear whether the court will expedite ruling on outstanding issues. We'll know more in several months about the schedule and particular issues to be addressed.

'All-of-the-Above' Campaign Update: Keep Sending a Loud and Clear Message

You've delivered nearly 1.1 million grassroots comments through [Action.coop](#) and [TellEPA.com](#) to EPA. Check your progress on [messages](#) and the state [tallies](#). Check out the House Energy and Commerce Committee's Tweet (attached) highlighting Action.coop and our new "EPA Regulatory Maze" graphic. In addition to the overall numbers of comments, we are also seeing a lot of impactful, personal stories. In Arizona, over 1,400 people have provided personalized comments through Action.coop or TellEPA.com. Here's just one example:

"Arizona has the most extreme heat (for most of the year) than any other state. It would be impossible to live here if we could not afford to cool our house! We can't afford it to be any higher...many people are out of work or haven't had pay raises for years!"

USDA Rural Broadband Grants and Loans Announced

We welcome Agriculture Secretary Tom Vilsack's announcement of \$190.5 billion in grants and loans for much-needed rural broadband projects and other rural communications infrastructure improvements. The funding will help boost economic growth, education and public safety in rural communities. This announcement is separate from the bidding for [rural broadband experiments](#) funds that started yesterday on the FCC's [webpage](#).

TRIA Action Day Planned on Capitol Hill

We'll participate in Terrorism Risk Insurance Action Day November 19 on Capitol Hill with the Coalition to Insure Against Terrorism (flier attached). We're urging Congress to pass a full reauthorization of the Terrorism Risk Insurance Act (TRIA), which expires in December. A one-year extension is inadequate. Unless TRIA is reauthorized long-term, insurance companies will start to pull out of the market, making it very difficult for businesses, including electric power infrastructure, to insure against terrorist attacks. House action is needed to get this legislation to conference to work out differences with the Senate bill (S. 2244) we prefer. For more information or to participate, contact NRECA's [Bridgette Bourge](#).

NRECA Adds another Partner Group on Endangered Species Issues

We've joined the Energy and Wildlife Action Coalition, a utility sector group working to address federal wildlife and natural resource laws and regulations. Our participation in the coalition will help expand our efforts on Endangered Species Act issues. We'll also continue our long-standing active engagement in the National Endangered Species Act Reform Group and Avian Power Line Interaction Committee.

Attached: House Energy and Commerce Committee tweet, TRIA flier.