



March 6, 2015

TO: NRECA Board of Directors

Distribution CEOs Statewide Managers G&T Managers

FROM: Jo Ann Emerson



WORKFORCE FACT: Millennials (born 1981-1998) are tomorrow's cooperative workforce and an important part of today's. Approximately 47 percent of distribution system new hires over the past 5 years have been Millennials. Millennials are characterized as ambitious, they believe in community and are committed to making an impact.

Co-ops Explain EPA Plan Impacts to Congressional Staff; Lawmakers Voice Concerns

Arizona Electric Power CEO <u>Patrick Ledger</u> did an outstanding job at a congressional staff briefing co-hosted by NRECA on how EPA's existing power plants GHG proposal will impact electric co-ops. EPA's plan would result in early plant shutdowns that threaten reliability and could leave co-ops with stranded debt, resulting in higher electric bills for members. We're stressing that we oppose EPA's plan and big changes are needed.

In related action, several Republican members of the Senate Environment Committee at a budget hearing said EPA's existing plants proposal would come at a high cost to the economy with little benefit. They criticized EPA for wanting to increase spending for climate initiatives, citing the Administration's proposed \$4 billion fund to encourage states to go further and faster on GHG reductions, while cutting other programs like drinking water and wastewater infrastructure loan programs.

Co-ops Urge Voluntary Cybersecurity Information-Sharing Legislation

We're urging Congress to pass cybersecurity information-sharing legislation like the draft bill Senate Intelligence Chairman Burr (R-NC) and Ranking Member Feinstein (D-CA) plan to introduce. A House Homeland Security subcommittee heard industry testimony supporting information-sharing legislation that helps all business, large and small, voluntarily share cybersecurity vulnerabilities and alerts without fear of lawsuits or burdensome requirements. Electric co-ops can do a better job of protecting the grid if the government more freely trusts us with threat information. We'll highlight these issues at an electricity sector briefing for Senate Energy Committee staff next Monday.

Lawmakers Urge FWS to Reconsider Potential Endangered Listing

We thank the 44 <u>Senate</u> and <u>House</u> members who signed letters urging the Fish and Wildlife Service to reconsider a potential "endangered" listing for the northern long-eared bat. The letters stressed that the disease impacting the long-eared bat population is unrelated to electricity or energy generation. An endangered listing for the species would interfere with electric co-ops' legal requirement to maintain reliability and needlessly drive up electricity rates. FWS' listing

decision is expected next month. During a budget hearing, Rep. Benishek (R-MI) questioned the listing and said the Administration was putting too many resources on designating a huge area as critical habitat protection that impacts consumers and the economy and not enough on stopping the disease that's killing the species. Sen. Thune (R-SD) introduced a bill (S. 655) that would block the Interior Department from using funds to issue a final listing determination.

Coal Ash Final Rule Expected Late March, Early April; Start Preparing Plans

EPA says its final <u>coal ash rule</u> released in December will be published in the *Federal Register* in late March or early April. No reason was given for the delay in publishing the rule, which starts the clock for compliance and legal challenges. Electric co-ops should be developing implementation plans <u>now</u> because some <u>compliance deadlines</u> are just six months after the rule is published. While regulating coal ash as non-hazardous is a big step in the right direction, provisions to "self-implement" the rule through citizen lawsuits creates huge compliance problems that can only be resolved through legislation. We're urging Congress to pass legislation that secures the non-hazardous designation, and allows EPA to delegate to states the implementation and enforcement of the rule through permits.

House-Senate Committees Drafting Electrify Africa Bills

We're working with the House Foreign Affairs and Senate Foreign Relations committees on bipartisan Electrify Africa legislation that would increase first time access to affordable, reliable electricity in several sub-Saharan Africa nations and boost jobs in the U.S. and Africa. Staff from both committees met this week to sort out differences in House and Senate bills to be introduced shortly. Reps. Royce (R-CA), Engel (D-NY), Smith (R-NJ) and Bass (D-CA) and Sens. Corker (R-TN) and Menendez (D-NJ) sponsored this legislation in the last Congress. If passed, these bills would bolster ongoing work in that region by NRECA International, the international rural electrification experts.

Seminole Electric to Speak at FERC Conference on EPA GHG Rule Next Week

Electric co-ops will have a speaker at the Federal Energy Regulatory Commission's (FERC) March 11 <u>Eastern regional conference</u> on reliability impacts of EPA's existing plants GHG proposal. James Frauen, Seminole Electric Cooperative's (FL) Vice President of Technical Services and Development, will present. Along with testimony, our <u>#WeKeepTheLightsOn</u> efforts continue to emphasize the co-ops' reliability message. We'll also emphasize our message during FERC's March 31 <u>central regional conference in St. Louis</u>.