

April 10, 2015

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

FROM: Jo Ann Emerson

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**WORKFORCE FACT:** Our future workforces are becoming more diverse. In 2012, for the first time in history, more than 50 percent of American children under age 1 belonged to minority groups; every 30 seconds a Hispanic child turns 18 in America. Hispanic, Asian American and African Americans now account for 36 percent of the U.S. population. By 2020, that total will rise to 39 percent, according to a recent Geoscape [report](#).

### *Electric Co-ops to Observe ‘Lineman Appreciation Day’ on Monday*

We’re ready to celebrate “[National Lineman Appreciation Day](#)” Monday, when we’ll recognize the dedicated and heroic work of our co-op line crews. We have a press release and resources for [co-ops](#). I am always awed and inspired by the commitment and can-do spirit of the men and women who endure the most extreme conditions to keep the lights on in rural America.

### *Great Visit with Minnesota and Colorado Co-ops!*

A big thank you to the Minnesota co-op CEOs and statewide CEO Darrick Moe for hosting me at their meeting. There was really good discussion on several issues, including electric water heater legislation, FEMA issues and EPA’s GHG proposal. Thank you to Great River Energy President/CEO David Saggau and his staff for giving me a tour of their world-class energy-efficient facilities. Thank you also to Tri-State G&T for hosting me at their annual meeting to discuss our co-op strategic plan.

### *Fast Action Needed on Legislation with Fix for DOE’s Water Heaters Standards*

We joined over 50 industry groups in a [letter](#) urging House leaders to quickly pass the [bill](#) (S. 535) that addresses DOE’s electric water heater standards. DOE’s standards take effect next *Thursday*! To be sure Congress knows how important this issue is for co-ops, we assisted co-op leaders in 19 states in sending e-mails directly to their House delegations through [Action.coop](#). Unless Congress takes action, water heater manufacturers will be unable to make the large electric resistance water heaters co-ops use to manage peak load and provide cost savings for members. We’re also working with the House Energy and Commerce Committee on stand-alone water heater bill (H.R. 906) that is planned for markup next Wednesday as a backup strategy.

### *Utilities Share Timely, Accurate Information during Power Outage*

Electric utility sector representatives were able to exchange timely and accurate information with each other and federal agencies during the power outage in the Washington, D.C., area this week.

Utility and agency liaisons quickly determined that the service interruption on a Pepco line did not involve terrorism or cybersecurity attacks. Arkansas Electric CEO Duane Highley, Old Dominion Electric CEO Jack Reasor and Great River Energy CEO David Saggau serve on the Electricity Subsector Coordinating Council that worked with federal officials to develop this response process.

### ***Co-ops to Testify on Bills Addressing GHG and WOTUS Rules, Coal Ash Bill Moving***

The House Energy and Power Subcommittee will next week markup “[Ratepayer Protection](#)” legislation to give states a time-out on complying with EPA’s existing power plants GHG rule. Seminole Electric CEO Lisa Johnson will testify Tuesday on why co-ops oppose EPA’s plan and [support](#) subcommittee Chairman Whitfield’s (R-KY) draft legislation. The bill would delay EPA’s requirement for state implementation plans until courts hear all legal challenges. We continue to say EPA should withdraw its proposal and work with co-ops on a more viable and realistic plan. We welcome Federal Energy Regulatory Commission (FERC) Commissioner Philip Moeller’s comments about how EPA’s GHG proposal could affect grid reliability and electricity costs. Commissioner Colette Honorable said FERC is starting to develop reliability recommendations to EPA. She will speak at our 2015 Legislative Conference and likely discuss reliability issues.

Mike Heinein, CEO of Jefferson Davis Electric Co-op (LA), will also testify Tuesday at a House Water, Power and Oceans Subcommittee hearing about how the proposed Waters of the U.S. rule would impact electric co-op line maintenance and siting. He’ll urge that the proposal be stopped and the rulemaking process restarted. We support coal ash legislation the House Energy and Commerce Committee will markup next Wednesday. The bipartisan bill would put states in the lead on enforcing the regulation rather than through citizen lawsuits. While NRECA supports EPA’s decision to regulate coal ash as non-hazardous, this bill is needed to provide greater certainty for co-ops by also making that determination permanent. We’ll ask co-op grassroots to weigh in after the markup as we lead up to working this issue at the Legislative Conference.

### ***More Cybersecurity Legislation Moving to Markup as House Makes Floor Time***

We welcome the House Homeland Security Committee’s plans to markup draft legislation, the “National Cybersecurity Protection Advancement Act,” as soon as it is introduced next week. The bill would make the National Cybersecurity and Communications Integration Center the primary clearinghouse for voluntary sharing of cyber threat information between the federal government and private sector. House leaders plan floor debate on cybersecurity bills during “cyber week” April 21-23. Congress is pushing to pass cyber legislation by April 30.

### ***FEMA Reauthorization Moving to Committee Markup***

We generally support a Federal Emergency Management Agency reauthorization bill (H.R. 1471) the House Transportation and Infrastructure Committee expects to markup next week. We’re working with the committee to fine tune provisions to streamline the FEMA disaster assistance program and expedite the process for many applicants, including electric co-ops.

### ***FERC Chairman Transition Next Week***

FERC Commissioner Norman Bay will take the chairman’s seat next week. Chairman Cheryl

LaFleur has served in the leadership role since November 2013. The transition date was negotiated and set before Commissioner Bay's Senate confirmation.

***Legislative Conference Just Ahead; Sign Up Now!***

You can still sign up for the [Legislative Conference](#) on May 3-5. There are some hotel rooms left at our conference rates. We'll thank the 225 lawmakers who signed our House and Senate letters supporting the Rural Utilities Service Electric Loan Program and urge further action on other electric co-op priorities. Make plans to join your co-op colleagues in taking our message to Capitol Hill!