

April 24, 2015

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

FROM: Jo Ann Emerson

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**WORKFORCE FACT:** 76 percent of social job seekers found their current position through Facebook; however, LinkedIn is where they do most of their job-seeking activity, according to Jobvite's [2014 Job Seeker Nation Report](#)

### ***At Last! Congress Passes Electric Water Heater Legislation***

I'm so proud of the [electric co-op](#) effort to pass energy efficiency legislation (S. 535) that will help preserve access to large electric water heaters used in demand response programs by over 250 electric co-ops in 35 states. The House cleared the bipartisan bill on a voice vote and sent it to the President, who's likely to sign it in the coming days. Thank you to all the co-op leaders who never wavered in pushing Congress to address this issue. It's a huge win in a legislative effort we started after DOE finalized the standards in 2010. Your hard work will allow continued growth of the programs that ensure reliability and save our members millions of dollars.

We thank House Majority Leader McCarthy (R-CA), Energy and Commerce Chairman Upton (R-MI) and Ranking Member Pallone (D-NJ), and Reps. Whitfield (R-KY), Welch (D-VT), Clyburn (D-SC), Latta (R-OH), Cramer (R-ND), Loebach (D-IA) and Rush (D-IL) for working to get this bill moved directly to the House floor after it passed the Senate by voice vote. Special thanks to Senate Majority Leader McConnell (R-KY), Energy and Natural Resources Chairman Murkowski (R-AK) and Ranking Member Cantwell (D-WA), and Sens. Portman (R-OH), Shaheen (D-NH), Hoeven (R-ND) and Klobuchar (D-MN) for leading this effort in the Senate. S. 535 was the first energy legislation passed this Congress. We'll be saying "Thank You" to members of Congress during our Legislative Conference on the Hill and on [Action.coop](#).

### ***House Passes Cybersecurity Legislation with Safeguards Electricity Sector Needs***

We applaud the House for passing two cybersecurity bills to improve voluntary information sharing between the private sector and government and to promote cybersecurity coordination. The Protecting Cyber Networks Act (H.R. 1560), passed on a 307-116 vote, would provide liability protections for businesses that share cyber threat information through civilian portals managed by government agencies, except NSA and DOD.

The National Cybersecurity Protection Advancement Act (H.R. 1731), passed on a 355-63 vote, would make the National Cybersecurity and Communications Integration Center the lead civilian exchange for cyber threat information. It would also require the government to provide cybersecurity readiness self-assessment tools for small and medium businesses. Both bills

enhance existing information channels, like the Electric Sector Information Sharing and Analysis Center, already used by many co-ops. The House will send these bills to conference with the Senate if it passes a similar cybersecurity bill (S. 754).

### ***NERC Recommends EPA GHG Rule Provide More Time, Safety Valve***

We support the North American Electric Reliability Corp.'s (NERC) [report](#) recommending that EPA address "reliability challenges" in the agency's proposed existing power plants GHG rule to ensure reliability. The NERC board unanimously approved the report that reinforces concerns raised by the utility sector, including co-ops. NERC said the 2020 interim deadline for emission reductions is not achievable and recommended pushing back the target date to allow time for utilities to build needed generation and transmission. The report also recommended that EPA provide for a "formal reliability assurance mechanism" in its final rule expected out this summer. This is similar to the dynamic reliability safety valve concept we've outlined to EPA and the Federal Energy Regulatory Commission. NERC's report is the second of three it plans to issue. The next report will review EPA's final rule before the deadline for states to submit implementation plans. After NERC's report came out, EPA Administrator Gina McCarthy responded by saying reliability is a "high priority for all us." While not committing to changes, she said, "... There is absolutely no scenario, no standard, no compliance strategy that I will accept where reliability comes into question. Period."

### ***House Panel Moves Bill Giving States More Time on GHG Rule***

We're working to get more cosponsors on the Ratepayer Protection Act that the House Energy and Commerce subcommittee passed (17-12 vote) and sent to the full committee. The bill would provide a "safe harbor time out" for states to delay implementing EPA's existing plants rule until courts rule on legal challenges. We also continue to urge EPA to withdraw its proposal and work with co-ops on a more viable and realistic plan. This is a Legislative Conference issue we'll be working on the Hill and through [Action.coop](#).

### ***DOE Report Outlines Needed Infrastructure, Urges Better Railroad Coal Deliveries***

We noted DOE's release of its first-ever [Quadrennial Energy Review](#) (QER). Recommendations include funding for grid modernization, state grants for major electric transmission resilience and reliability improvements and natural gas pipeline maintenance and improvements, among many other recommendations. DOE's recommendations heavily emphasize the President's climate agenda. A new Partnership for Energy Sector Climate Resilience was announced, and Great River Energy and Hoosier Energy are among 17 participating companies.

The QER includes infrastructure improvements to address railroad coal shipments to electric power plants. While the report recognized Surface Transportation Board (STB) efforts to promote rail competition, it recommends more action to ease rail congestion and improve coal deliveries. On another rail issue, Consumers United for Rail Equity (CURE) sent a letter urging the Senate to move STB member Daniel Elliott III's nomination for a second term. Dave Sauer, Basin Electric's Senior Vice President and COO of Dakota Gasification Co., is CURE President.