

May 8, 2015

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

FROM: Jo Ann Emerson



WORKFORCE FACT: *How to Attract Female Engineers:* A “key to increasing the number of female engineers may be about reframing the goals of engineering ... to be more relevant to societal needs,” Lina Nilsson, University of California, Berkeley writes in her recent [New York Times op-ed](#). Programs that are attracting women in significantly higher numbers “focus on engineering that is cutting edge, with an explicit social context and mission,” she adds.

Thank You for Great Legislative Conference!

We had a great Legislative Conference this week! Thank you to the electric co-op leaders who took the time and expense to help get our issues heard on the Hill and at key agencies. We’re getting good feedback as a result of your visits. While we thanked lawmakers who supported our positions on RUS and water heaters, co-ops received praise from Federal Energy Regulatory Commission Commissioner [Colette Honorable](#), [Sen. Heidi Heitkamp](#) (D-ND), [Rep. Luke Messer](#) (R-IN) and Sen. Jerry Moran (R-KS). See photos and comments on [CoopAction](#) and [NRECANews](#)!

NRECA’s 2014 Annual Report Available Online

NRECA’s Board of Directors is pleased to present the [2014 Annual Report](#), highlighting our major achievements in the past year and providing a financial overview of programs. The report also highlights several initiatives to enhance member engagement and service excellence, and build a stronger strategic presence across the energy sector and in the national political discussion.

More House Cosponsors Line Up for Ratepayer Protection Act

We got another 11 House cosponsors on the bipartisan Ratepayer Protection Act (H.R. 2042) that you worked on the Hill and through [Action.coop](#) this week. We’re working to gather more sponsors to help this bill demonstrate strong bipartisan support when it reaches the floor. It would provide a “safe harbor time out” for states to delay implementing EPA’s existing plants rule until courts rule on legal challenges. In related news, Sen. Capito (R-WV) said she’s also drafting a bill that would let states delay compliance efforts until courts decide on lawsuits; details are not yet available.

House to Resume Debate on WOTUS Bill

We look forward to House floor debate resuming next week on a bill (H.R. 1732) directing EPA and the Army Corps of Engineers to withdraw the Waters of the U.S. (WOTUS) proposed rule. The measure would give the agencies 30 days to withdraw the rule and three months to consult with state and local officials on resolving problems and confusion before moving forward. The White House has threatened a veto. There's no word yet on when the Senate committee review will begin on the bipartisan bill (S. 1140) introduced last week.

CFTC Proposal Eliminates Burdensome Reporting Requirement

In more good news for electric co-ops, the Commodity Futures Trading Commission (CFTC) proposed to eliminate two burdensome end-user reporting requirements in [proposed changes](#) to trade option regulations. First, CFTC proposed that Form TO no longer be required. Second, end-users would only have to notify CFTC if their trade options have, or are expected to have, an aggregate notional value of over \$1 billion in any calendar year. Currently, end-users must submit Form TO and a Part 45 swap report. The proposal also makes permanent the "no action" relief on Part 45 reporting that CFTC provided in April 2013. The proposal is open for comments until June 8, 2015. For questions, contact NRECA's [Russ Wasson](#).

OMB Reviewing EPA's New Plants GHG Rule

The Office of Management and Budget (OMB) [announced](#) it started review of EPA's final GHG emissions rule for new coal and natural gas power plants. It's one of the last steps before EPA issues the final rule – expected to come out "mid-summer." We have strong objections to the proposal because it's based on carbon capture and storage technology that's not adequately demonstrated and it will effectively prohibit construction of new coal plants. This is not the proposed existing power plants GHG emissions rule, which has yet to go for OMB review.

Grid Modernization and Reliability Legislation Emerges

We're reviewing the stack of energy bills introduced in the Senate and House this week. Senate Energy and Natural Resources Chairwoman Murkowski (R-AK) released 17 bills (including measures on bulk power system reliability and renewable energy) that may be part of a broad energy package. The House Energy and Commerce Committee released a discussion draft of legislation aimed at addressing energy security and reliability challenges created by new regulations, fuel delivery interruptions and changing market dynamics.

'RICE' is Back – Court Compels EPA to Review Backup Generator Emissions Rule

We're consulting with EPA after a federal appeals court last Friday ordered the agency to reconsider parts of the 2013 emissions rule for reciprocating internal combustion engines (RICE), which electric co-ops use as backup generators for peak shaving and emergencies. In a lawsuit by Delaware officials, the court ruled that EPA leaned on "faulty evidence" in its decision to allow RICE units not fitted with emissions controls to operate up to 100 hours a year for demand response. The court also said EPA didn't properly respond to reliability and efficiency concerns and didn't consult the Federal Energy Regulatory Commission and North American Electric Reliability Corp. The court order gives EPA until late June to offer an

alternative standard. We supported the 100-hour exemption in this case and we're considering options for the agency on an alternative plan going forward.

Senate Committee Raises Rail Shipper Concerns to STB Nominee

We welcome the Senate Commerce, Science and Transportation Committee's confirmation hearing on the Surface Transportation Board reappointment of Daniel Elliott, whose term expired in December 2014. While he was chairman, STB was more active on rail shipper issues than under previous chairmen. We're urging the Senate to quickly move the nomination because a vacancy on the three-member STB makes it hard for the panel to issue decisions. During the hearing, the committee also urged STB to reform the rate case process, reduce discrepancies in rates paid by shippers using different routes and do more to address freight rail congestion. The committee will vote on the nomination soon. In March, the committee passed an STB reauthorization bill (S. 808) that addresses some of these issues.