



June 26, 2015

TO: NRECA Board of Directors

Distribution CEOs Statewide Managers G&T Managers

FROM: Jo Ann Emerson



WORKFORCE FACT: LinkedIn remains the most popular social media outlet with 66 percent of engineers and technical professionals having an account on the platform. Among 18-34 year olds, Facebook edges LinkedIn, 73 percent to 71 percent, respectively, according to a 2015 Social Media Use in the Industrial Sector report.

NRECA Board Sets the Course for Upcoming Challenges

Thank you to the NRECA Board of Directors for their hard work on an exceptionally big agenda and thoughtful guidance on addressing major challenges. We talked about our continuing work to prepare for the release of EPA's final rule for existing power plant GHG emissions. We also discussed the ongoing growth of distributed generation resources and emergence of new technologies and the long-term impacts for electric co-ops. We had good discussions about other policy issues, the importance of NRECA being engaged with our members (and vice-versa), our benefits programs, upcoming regional and national meeting activities, and a host of other topics. We also discussed the Summit on Rural America that NRECA hosted two weeks ago and our plans to promote the dialogue on the critical issues that rural America faces.

House Passes Ratepayer Protection Act

We applaud the House for passing (247-180 vote) the Ratepayer Protection Act (H.R. 2042). The bill gives states a "safe harbor time out" to delay implementing EPA's proposed existing power plants GHG rule until the courts rule on legal challenges. Two floor amendments were approved that would require EPA's plan to include hydropower as a renewable resource and recognize pumped hydro storage as a compliance option. The Administration issued a veto threat before the House vote. We're urging the Senate to take up similar legislation – the Affordable Reliable Electricity Now Act (S. 1324) sponsored by Sen. Capito (R-WV).

Electrify Africa Act Introduced in House

We welcome introduction of the Electrify Africa Act (H.R. 2847) by House Foreign Affairs Chairman Royce (R-CA), Ranking Member Engel (D-NY) and Reps. Smith (R-NJ) and Bass (D-CA). This bipartisan bill will increase access to electricity in sub-Saharan Africa. It will bolster efforts in the region by the NRECA International Program, started by electric co-ops over 50 years ago to help provide reliable, affordable electricity around the world. The legislation will continue that proud tradition by establishing public-private partnerships to bring electricity to 50 million people in Africa by 2020, particularly in rural communities. The House passed this

legislation in the last Congress, but the measure didn't reach the Senate floor. We're working to get more cosponsors this summer. We hear that a Senate bill may be introduced July 7.

House Committee Clears Electromagnetic/Geomagnetic Disturbance Bill, Concerns Remain

We'll continue to work with the House for improvements to the Critical Infrastructure Protection Act (H.R. 1073) the House Homeland Security Committee approved. The bill would require the Department of Homeland Security (DHS) to incorporate electromagnetic pulses (EMP) and geomagnetic disturbances (GMD) into planning scenarios and recommend a strategy to protect the nation against EMPs. Our concern is the bill includes naturally-occurring GMDs in the EMP definition. That could lead to guidelines that pull needed resources away from more common threats or conflict with existing standards. The electric sector helped develop North American Electric Reliability Corp. standards for GMDs. We support the concept of DHS planning for all hazard recovery, and will work with Congress on accurate EMP and GMD definitions.

House and Senate Committees Move FY16 LIHEAP Funding Bills

We urged lawmakers to ensure adequate Low Income Home Energy Assistance Program (LIHEAP) funding in the FY16 Labor-Health and Human Services spending bills passed by the House and Senate Appropriations Committees, which now go to floor debate in both chambers. The Senate bill maintains LIHEAP at the current level of \$3.39 billion. The House bill includes a slight cut for LIHEAP to \$3.365 billion after a difficult debate on funding priorities. While we appreciate the committees' work, we urge Congress to restore LIHEAP funding to no less than \$4.7 billion. We continue to highlight LIHEAP's importance to rural communities and that it helps electric co-op members in extreme weather and economic troubles.

House Passes TSCA Bill by Overwhelming Majority

We welcome the House passing (398-1 vote) the Toxic Substances Control Act (TSCA) reauthorization bill (H.R. 2576). We support bill language that would keep current regulations for polychlorinated biphenyls (PCBs) in place and maintain state preemption. Like other utilities, co-ops have transformers, and other electrical equipment containing PCBs, made before TSCA became law in 1978. We joined coalition letters to thank House leaders for championing this legislation and urging Senate leaders to quickly move their bill (S. 697) to floor votes.

Senate Confirms STB Appointment to Open Seat; Senate Committee Clears Spending Bill

Electric co-ops applaud the Senate vote to fill the vacant Surface Transportation Board (STB) seat with the reappointment of Daniel Elliott, whose term expired in December 2014. We look forward to working with Mr. Elliott, STB Acting Chair Deb Miller and Vice Chair Ann Begeman to address freight railroad problems that impact rail shippers. The lull in action at the STB during this six-month vacancy highlights the need for reforms in Senate legislation (S. 808), including a provision to expand the STB to five seats. The bill passed the Senate by unanimous consent last week and awaits House action.

No Update Next Week; Happy Fourth of July!

With Congress recessed and other action slowing for the Fourth of July holiday, we won't send a weekly update next Friday. I will be back in touch on July 10. Have a safe and happy holiday!