

September 11, 2015

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

In keeping with NRECA CEO Jo Ann Emerson's commitment to providing the highest level of service to our member cooperatives, we'll continue to send a weekly update on legislative and regulatory developments during her absence. We also want to express sincere thanks to the entire electric cooperative family for your tremendous support and encouragement.



WORKFORCE FACT: Electric co-op employees are seeking creative ways to expand their technical capabilities to keep up with changing technology requirements, including online courses. Co-op staff have participated in a total 2,638 online technical courses through an NRECA partner, the [Energy Providers Coalition for Education \(EPCE\)](#), resulting in win-win personal development for themselves and their co-ops.

Regional Meetings Kick Off with Region 1-4

Thank you to Regions 1 and 4 for a fantastic kick off in Charlotte for our regional meetings, with lots of good [resolutions](#) discussion. We enjoyed the great Tar Heel hospitality from the North Carolina co-ops! A special thanks to former Rep. Tom Davis (R-VA) for his great ACRE® breakfast discussion on political engagement and the impact ACRE® brings to our advocacy efforts. We're heading to Minneapolis for the Regions 5 and 6 meeting next week. New this year, and available the day before all regional meetings, are two [director's courses](#): "Strategic Technologies and Their Impact on Today's Cooperative" and "Communicating the New Energy Landscape."

Majority of House Supports 'Cadillac Tax' Repeal

Our latest count shows over 218 House members are cosponsoring legislation (H.R. 879, H.R. 2050) to repeal the Affordable Care Act's "Cadillac Tax" – a 40 percent excise tax on health plans. Some lawmakers are even cosponsoring both bills! A Senate bill is expected soon. We'll continue to push for more cosponsors on this legislation through our leadership roles in several coalitions. Our [message](#): no electric co-op, whether they provide health insurance through NRECA's Group Benefits Trust or another source, should ever be subject to this unfair tax on health plans, and we're [urging](#) Congress to pass legislation to fully repeal it as soon as possible. All electric co-ops can contact NRECA's Insurance and Financial Services field representatives about the "Cadillac Tax" that takes effect in 2018. See letters to the Hill and other information at NRECA.coop.

WOTUS Final Rule Stayed for 13 States, EPA Keeps Moving

EPA says it's implementing the Waters of the U.S. (WOTUS) [final rule](#) in most states after a

federal District Court [ruling](#) temporarily blocked the regulation in North Dakota and 12 other central and western states. EPA said the rule that took effect August 28 applies in the 37 states not listed in the North Dakota lawsuit. We're actively participating in the Utility Water Act Group lawsuit for the electricity sector, which will be coordinated with at least 27 states and other groups challenging the rule. On the legislative front, we're urging the Senate to act on a bipartisan bill (S. 1140) to address problems with the final WOTUS rule. We also support language in the House version of the FY16 Interior-Environment spending bill that would block the rule.

Rail Shipper Coalition Takes New Name, Widens Partnerships

Our freight rail shipper coalition announced its new name, Freight Rail Customer Alliance (FRCA), Railvoices.org website and advocacy strategy with a wider range of industry sectors affected by freight railroad problems. FRCA will focus on improving shipper access to affordable, reliable freight railroad service. We're partnering with more industries (such as forest, paper and auto companies) on outreach to the Surface Transportation Board and Congress about harmful impacts of the freight railroads' unreliable service and unreasonably high rates. David Sauer, Dakota Gasification Co. Chief Operating Officer and Senior VP, will continue to serve as FRCA President, the same role he served for Consumers United for Rail Equity, and Ann Warner is FRCA's Executive Director.

Co-ops Stress Impacts of Raising Federal Coal Rates

With a fast-approaching September 17 [deadline](#), we're coordinating with industry and working on written comments to the Bureau of Land Management (BLM) on whether federal coal royalty rates are too low. BLM held listening sessions in Wyoming, Montana Colorado, New Mexico and Washington, D.C. We continue to emphasize that raising federal coal royalty rates will harm electric co-ops' ability to provide affordable power. We're highlighting our [study](#) on how higher electricity prices would impact jobs. We also oppose legislation that would require BLM to raise federal coal rates.

Congress Looks to Pass Appropriations Extension

With the current fiscal year expiring October 1, Congress is considering a continuing resolution (CR) to keep the government funded through mid-December and give lawmakers time to reach a yearlong agreement on FY16 spending. House and Senate Republican leaders are looking for a path to move a "clean" CR with no controversial provisions. However, the House Republicans remain divided on a clean CR, with as many as 30 conservatives insisting on language that strips Planned Parenthood funding. It would be difficult for a CR with such a controversial provision to pass the Senate. This is increasing the talk of a government shutdown. We continue to work with Congress to ensure our core programs are adequately funded.

House Panels Hear Ideas on Addressing Grid Vulnerabilities

We welcome the House Science, Space and Technology Committee starting discussions on possible research and development efforts to reduce electric grid vulnerabilities. Battery and energy storage, spare or emergency transformers, solar monitoring and warning systems were among several areas identified in testimony before a joint hearing of two subcommittees.

ACRE® Celebrating 50th Anniversary!

We started our new ACRE® year on September 1, and we're launching activities to highlight the program's 50th anniversary in 2016. We're recognizing this milestone at the ACRE® Breakfasts at each regional meeting. We're also highlighting the ACRE® golden anniversary with a special 2016 President's Club members pin and the new Vice Presidents Club level with added membership benefits. The Vice President's Club membership was an ACRE® Board decision and it offers another support level for Century Club members ready to upgrade their participation. We're planning more special activities through 2016.

Don't Miss FirstNet Webinar on Monday

Sign up for our free [webinar](#) Monday, September 14, on the First Responder Network Authority's (FirstNet) upcoming request for proposals (RFP) to build the first national public safety broadband network. NRECA's [Martha Duggan](#) will host the webinar on why and how to respond to FirstNet's RFP in a way that may maximize your co-op's opportunity to share in the network's benefits. [Speakers](#) Al Catalano and Tom Magee of the law firm Keller & Heckman will also discuss how FirstNet's draft RFP could be improved from electric co-ops' perspective. If you need assistance to register, contact NRECA@commpartners.com or 800.274.9390.