

September 18, 2015

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



WORKFORCE FACT: Inability to competitively pay and promote staff and excessive workloads are the greatest retention challenges faced by non-profits according to a [2015 Nonprofit Employment Practices Survey](#). The research supports greater emphasis on career enriching experiences (i.e. job sharing/rotation, project management opportunities) that can provide meaningful pathways for retention of entry- and mid-level staff.

Region 5-6 Builds Regional Meetings Momentum

Thank you to Regions 5 and 6 for a great meeting in Minneapolis and building the Regional Meetings momentum with strong [resolutions](#) discussion. Special thanks to former Rep. Earl Pomeroy (D-ND) for sharing insights on co-op political engagement at the ACRE® breakfast. We're heading to Salt Lake City for the Regions 7 and 9 meeting that starts September 30. You can still sign up for the new [director's courses](#): "Strategic Technologies and Their Impact on Today's Cooperative" and "Communicating the New Energy Landscape."

Senate 'Cadillac Tax' Repeal Legislation Introduced

We welcome the introduction of Senate legislation (S. 2045) to repeal the Affordable Care Act's "Cadillac Tax" – a 40 percent excise tax on health plans. We thank Sens. Heller (R-NV) and Heinrich (D-NM) for leading this legislation that has 15 cosponsors. It's similar to the House bills (H.R. 879, H.R. 2050) that have over 230 cosponsors. We're working with several coalitions to get more bill cosponsors as we urge Congress to quickly pass legislation to fully repeal the Cadillac Tax. 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. All electric co-ops can contact NRECA's Insurance and Financial Services field representatives about the "Cadillac Tax" that takes effect in 2018. See our fact sheet and more at [NRECA.coop](#)

House Committee Airs Concerns on GHG - WOTUS Rules; Hears Rural Development Issues

We thank several House Agriculture Committee members for raising concerns about how environmental regulations will impact electric co-ops and rural America during a hearing on USDA programs. Reps. Thompson (R-PA), Kelly (R-MS), Yoho (R-FL) and Goodlatte (R-VA) raised concerns about how EPA power plant GHG regulations will impact co-ops' ability to provide affordable, reliable power and RUS borrowers' ability to repay loans. Reps. Crawford (R-AR), Scott (R-GA), King (R-IA) and Moolenaar (R-MI) raised questions about regulatory overreach in the EPA and Army Corps of Engineers' Waters of the U.S. (WOTUS) rule.

During discussion on Rural Development issues and efforts like the Rural Utilities Service (RUS) Energy Efficiency and Conservation Loan and broadband programs, RUS Administrator

Brandon McBride highlighted lending to Roanoke Electric Co-op (NC) and North Arkansas Electric Co-op to provide low-interest loans to their members for home and building efficiency upgrades. He said RUS is working with electric co-ops to increase program participation. Rep. Hartzler (R-MO) also asked about RUS Broadband program efforts to expand rural access to high-speed broadband. She encouraged RUS to use electric co-ops to fill gaps in rural broadband access.

Senate Disapproval Resolution Aimed at Blocking WOTUS

Sen. Ernst (R-IA) and 46 Republican cosponsors introduced a [disapproval resolution](#) (S. J. Res. 22) to stop the EPA and Army Corps' WOTUS rule. The measure is the latest legislation to block the WOTUS regulation that took effect on August 28. While it would likely be vetoed by the President, a strong vote for the resolution would likely demonstrate strong bipartisan opposition to the rule. Legislation to stop WOTUS rule and restart the process is pending in the Senate.

Our Message to White House: Call 'Time Out' on GHG Rules

We're urging the White House for a "time out" on EPA's final GHG rules in our [Action.coop](#) message to the President. We're asking the President to delay EPA's power plant regulations until the courts have acted. Many legal challenges to the GHG rules are expected and it will take the courts many years to review them. This open letter reinforces the electric co-op position that states should not be forced to implement EPA's regulations before the courts rule on legal challenges.

Cybersecurity Technologies Liability Clarification Moving in Committee

We support the cybersecurity technologies language in legislation a House Homeland Security subcommittee passed on a unanimous vote and sent to the full committee. The "DHS Science and Technology Reform and Improvements Act" includes language to include cybersecurity technologies that protect against cyber attacks in the designations and certificates issued under the 2002 law (Support Anti-terrorism by Fostering Effective Technologies Act – SAFETY Act) that provides lawsuit liability protections.

FirstNet Getting 'Don't Forget Rural America' Message from Electric Co-ops

Your co-ops can help get our [#DontForgetRuralAmerica](#) Twitter message heard by the First Responder Network Authority (FirstNet). Electric co-ops are posting on the [.@FirstNetGov](#) Twitter feed to ensure co-op concerns are heard about the upcoming request for proposals (RFP) to build the first national public safety broadband network. We want the FirstNet management to know that electric co-ops are watching and want to see fair treatment and adequate coverage for rural America as the network is built. Contact NRECA's martha.duggan@nreca.coop.

FERC Starts New Rulemaking on Price Reforms in Wholesale Energy Markets

We'll continue to urge the Federal Energy Regulatory Commission (FERC) to refrain from pursuing a one-size-fits-all approach in the agency's new proposed energy market price formation [rulemaking](#). We're recommending that any change in price formation rules ensures

efficient dispatch of resources at the least cost possible to consumers in the short term. For the long term, any changes should enable investment in a diverse resource portfolio that allows electric co-ops, regulators and wholesale power customers to meet a wide range of goals and requirements. Public comment on the proposed rulemaking will run 60 days after it appears in the *Federal Register*. A FERC decision is not expected before late this year.