

September 25, 2015

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



WORKFORCE FACT: One in three non-profits report that “hiring” is the biggest staffing challenge, according to a [2015 Nonprofit Employment Practices survey](#): 52 percent don’t have a formal recruitment strategy; 67 percent don’t have a formal recruitment budget; 68 percent don’t have a social media recruitment strategy. Leading practices include having a recruiting strategy and measuring the results of your efforts.

Leadership Changing in the House

Today, House Speaker John Boehner (R-OH) announced that he would resign from Congress on October 30. The unusual announcement in the middle of a Congress follows months of intra-party power struggles. A leadership race is now underway that will determine the direction of the House majority and the legislative priorities that will be pursued.

FWS says Greater Sage-Grouse ESA Listing ‘Not Warranted’

In a win for electric co-ops, the Fish and Wildlife Services (FWS) [ruled](#) that listing the greater sage-grouse in 11 Western states under the Endangered Species Act (ESA) is “not warranted.” Interior Secretary Sally Jewell said the decision was due to “an extraordinary effort on a scale we’ve never seen before” with private sector partners to develop state conservation plans. Estimates show over 100 million acres of the greater sage-grouse’s current range spreads across 60 electric co-op service areas. NRECA [highlighted](#) electric co-op leaders’ key role in efforts led by the Western Governors Association to develop flexible state conservation plans.

The decision is linked with the Bureau of Land Management and U.S. Forest Service finalizing 98 revised [land use plans](#) covering 67 million acres of federal lands in the bird’s 11-state range the two agencies manage. These plans will still impact electric co-op operations at different levels in different states. While we’ve made great progress, there’s more work to do on this issue. We’ll continue to work with impacted electric co-ops and statewides on the federal conservation plans.

Deadline Nears to Avoid Government Shutdown, Congress Aims for Clean CR

With the current fiscal year ending next Wednesday night, Senate leaders are moving toward Monday votes to pass a continuing resolution (CR) that will fund government programs and agencies. A “clean” CR is unlikely to have policy provision “riders.” We expect a short-term CR that will fund the government until December 11. The House is also working to pass a clean CR. Fights over a number of funding and policy disagreements were making it more difficult to pass a CR, but House Speaker Boehner’s resignation announcement may make it easier to avoid a government shutdown.

Another Senate ‘Cadillac Tax’ Repeal Bill Introduced

We welcome the introduction of a fourth bill to repeal the Affordable Care Act’s “Cadillac Tax” – a 40 percent excise tax on health plans. Sen. Sherrod Brown (D-OH) introduced a “Democrat only” bill with 10 cosponsors (S. 2075), which is similar to bipartisan Senate legislation (S. 2045) introduced by Sens. Heller (R-NV) and Heinrich (D-NM), and two House bills (H.R. 879, H.R. 2050). In total, over one quarter of the Senate and a majority of the House have cosponsored one of these measures! We’re working with several coalitions to gather even more support as we urge Congress to quickly pass legislation to fully repeal the Cadillac Tax. See our fact sheet and other information at NRECA.coop.

House Energy Bill Changes Needed on Co-op Concerns; Senate Dems Announce Energy Bill

We continue working on the House Energy and Commerce Committee’s draft energy bill, which we hear is likely to move to markup next week. The North American Energy Reliability, Security and Infrastructure Act (H.R. 8) would modernize the electric grid, promote efficiency and boost the energy workforce. It includes language we support protecting utilities from potential Clean Air Act penalties for voluntarily complying with DOE emergency orders. We also support provisions that would protect and improve government and industry cybersecurity information sharing.

However, we’re still pushing for several improvements to H.R. 8. The bill would establish a DOE strategic transformer reserve and resiliency technologies program, but, we’re concerned about who pays the cost of that program. We also want to correct a harmful trend emerging in the PJM Interconnection capacity market. We’re pushing for language that would ensure electric co-ops in Regional Transmission Organization (RTO) capacity markets can “self-supply” their distribution co-ops with their own generation. Co-ops are also urging against inclusion of a fuel assurance mandate for the PJM capacity markets that would dramatically increase costs.

Meanwhile, Senate Democrats unveiled an alternative energy bill. Weighing in at over 400 pages, the bill is heavy on climate policy. While the bill won’t move in the Republican-controlled Senate, we’re reviewing details to ensure that we can fight any threats to electric co-ops should it gain traction down the road.

White House Report: Broadband a ‘Core Utility’ for American Homes, Businesses

We applaud the White House Broadband Opportunity Council’s [report](#) recognizing broadband is now a “core utility for households, businesses and community institutions.” We agree with the council’s statement that “today, broadband is taking its place alongside water, sewer and electricity as essential infrastructure for communities.” The report echoes the President’s [statement](#) that “high-speed broadband is not a luxury, it’s a necessity” during his visit to a municipal broadband facility in Iowa last January. We will highlight this report with lawmakers, particularly in the House, to emphasize the need to bridge the digital divide in rural areas and ensure non-traditional broadband providers, like electric co-ops, can participate in federal broadband programs.

EPA Starting Small Business Review for Toxic Substances Rule

We’re participating in the Small Business Advocacy Review on possible changes to EPA’s Risk Management Plan (RMP) regulation to reduce accidental spills of toxic and flammable

substances and improve emergency response. NRECA is a Small Entity Representative for the review of possible RMP changes that would affect some electric co-ops. Rule changes EPA is considering would increase coordination with local emergency planning officials and information sharing with the public.

Rep. Hill Featured in ACRE[®] PAC Speakers Series Monday

ACRE[®] PAC Speaker Series will host Rep. French Hill (R-AR) at 2 p.m. (EDT) Monday, September 28, for ACRE[®] President's Club members. During the call, Rep. Hill will give a Capitol Hill update and talk about some key co-op issues. Given Speaker Boehner's announcement today, along with the upcoming fiscal year deadline, this is sure to be an interesting conversation! If you would like to submit a question to Rep. Hill before or during the call, send an e-mail to acreteam@nreca.coop. The PAC Speaker Series is an ACRE[®] President's Club membership benefit.