

February 5, 2016

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

## Electrify Africa Act Passes! Legislation Sent to President

We're very proud that electric co-ops' first 2016 legislative win is the Electrify Africa Act (S. 2152). It passed the House on a voice vote and now goes to the President's desk. NRECA has pushed since 2013 for this legislation, which will boost NRECA International's ongoing efforts in the region. Supporting efforts like the Electrify Africa Act upholds our rural electrification legacy, cooperative values and mission of providing access to sufficient reliable, affordable, and sustainable power in order to reduce poverty and drive economic growth.

When enacted, it will streamline public-private partnerships to install at least 20,000 megawatts of infrastructure in sub-Saharan Africa, especially rural communities, by 2020. We worked closely with Congress to ensure the legislation creates the most flexible and fuel-neutral strategy to reduce regulatory burdens and create sustainable and cost-effective access to electricity. The bill supports coal, natural gas, solar, wind and other energy resources.

These efforts are part of our electric co-op tradition to share our skills and knowledge with <u>developing countries</u> under our partnership started with the U.S. Agency for International Development in 1962. NRECA International is a self-supporting program and funds its work through service contracts and donations from co-ops and others. Proudly share this electric co-op victory!

### Co-ops Make Progress in Senate Energy Debate; Efforts Continue Next Week

The Senate energy bill (S. 2012) stalled over the lack of agreement on funding for Flint, MI, water system repairs, and floor debate will resume Monday. We're working with senators to get several amendments adopted to improve the bill. One amendment we got included so far is the addition of an "electric thermal" category to DOE's electric grid energy storage research program to make electric resistance water heaters eligible.

Among harmful amendments we've helped block so far include an energy efficiency mandate that would have required every utility to achieve a certain percentage of energy efficiency on its system. We're also working to block a burdensome, cumbersome federal net metering standard (those decisions should be made at the state and local level), and a requirement to consider an interconnection standard for community solar facilities (again, to preserve state and local control).

## NRECA Stresses Co-op Challenges at DOE's Quadrennial Energy Review

NRECA focused DOE's attention on three big challenges for electric co-ops as we emphasized

affordability and reliability in <u>comments</u> at the 2016 Quadrennial Energy Review (QER) opening <u>meeting</u>. We asked DOE to help ensure co-ops can maintain affordable and reliable power as they work to comply with EPA's Clean Power Plan (CPP) final rule. We urged that the QER process recognize that the CPP and other changes in the electricity sector are creating industry uncertainty and increasing the need for costly new grid infrastructure. We also stressed that DOE should help provide electric co-ops the flexibility to make local decisions on providing resources for their members. This year's QER is taking a "soup to nuts" focus on <u>electricity infrastructure</u> and will include a final report on grid modernization and policy recommendations.

#### House FY17 Spending Appropriations Process Moving Ahead of Schedule

Several House committees outlined their FY17 priorities in budget hearings this week, with no surprises for electric co-ops so far. The President sends his FY17 budget proposal to Congress next week and several Appropriations hearings are scheduled. Starting next week, we'll work with your statewide associations to get lawmakers to sign our congressional letters supporting the Rural Utilities Service Electric Loan Program. The House and Senate Budget committees plan to complete their FY17 budget resolutions later this month and move them to floor debate. Congressional Republican appropriators aim to get at least half of the 12 spending bills under regular order before summer recess starts mid-July. House Speaker Ryan (R-WI) has a more ambitious goal of getting all 12 spending bills on the floor by July.

#### Committee Clears Upper Colorado River Hydropower Bill

NRECA supports Fontenelle Dam legislation (H.R. 2273) the House Natural Resources Committee passed (voice vote). We achieved some changes to allow the Bureau of Reclamation to work with Wyoming state officials on increasing Fontenelle Dam hydropower production under the Colorado River Storage Project Act. The bill now goes to the floor.

# TechAdvantage® Workshop Looks at Lowering Utility-Scale Solar Costs, Risks

There's still time to sign up for the <u>preconference workshop</u> on utility-scale photovoltaic (PV) solar systems at TechAdvantage Conference and Expo on Monday February 15. See how other electric co-ops brought utility-scale PV solar systems online. The one-day session includes an introduction to NRECA's Cost and Financing Screening Tool developed by our Business and Technology Strategies staff in a partnership with electric co-ops and DOE. TechAdvantage is presented during NRECA's Annual Meeting.

## NRECA Launches 'Serve our Co-ops; Serve our Country' Veteran Initiative

"Serve our Co-ops; Serve our Country" is an electric co-op initiative to employ veterans, military service members and their spouses. The program provides resources and training to help co-ops implement leading practices in attracting, hiring and retaining veterans. A second focus is to honor and care for veterans who live in our local communities. Over 50 co-ops in 16 states have joined the coalition since its January launch. Learn more about joining the coalition at our TechAdvantage booth during Annual Meeting or visit <a href="www.ServeVets.coop">www.ServeVets.coop</a>.