

April 1, 2016

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

NRECA Leaders Talk about Political Engagement in Videos

Check out the videos featuring [NRECA President Mel Coleman](#), [NRECA Secretary-Treasurer Curtis Wynn](#) and [NRECA Interim CEO Jeffrey Connor](#) on using the Co-ops Vote program to elevate our collective voice to get the co-op voice heard in the political process. Please encourage your employees, directors and member-owners to visit www.vote.coop and pledge to show up at the polls on Election Day. We have [resources](#) online that you can customize. Use the social media hashtag [#CoopsVote](#) to spread the word.



Gary Connett to Chair Community Storage Initiative

We're proud that Gary Connett, director of member services at Great River Energy, will serve as NRECA's [Community Storage Initiative](#) (CSI) chairman as our effort gains momentum. He brings a broad range of experience in demand response and using innovative clean energy strategies. The American Public Power Association and Edison Electric Institute recently joined electric cooperatives in pledging support for the initiative. "Community Storage" refers to emerging utility-sponsored programs that aggregate distributed energy storage resources throughout a community (water heaters, electric vehicles and interconnected batteries) to improve electric services. NRECA developed CSI in partnership with the Natural Resources Defense Council, Great River Energy and Peak Load Management Alliance. Learn more at the [CSI website](#) and pledge your [support](#).

FAA Raises Flight Ceiling for Drones

The Federal Aviation Administration (FAA) has raised the [flight ceiling](#) for unmanned aerial vehicles (UAV), commonly called drones, under 55 pounds. It's progress in addressing limitations on electric utility use of drones for grid maintenance and emergency response. The new FAA policy raises the flight ceiling from 200 feet to 400 feet. The change should reduce the need for individual exemptions from current rules that require drone operators (other than hobbyists) to have the same certification as manned aircraft pilots. Currently, electric co-ops need an FAA exemption to use drones for line inspection and maintenance operations.

The agency started a [rulemaking](#) last year for commercial drone use and expects to issue a final rule this June. NRECA filed [comments](#) supporting the FAA's efforts to develop new regulations for business use and urged the agency to address three issues: 1. a blanket exemption or streamlined approval process for utility inspection, maintenance and operations on power line rights-of-way; 2. ease visual "line-of-sight" operating restrictions for utilities; 3. a temporary

exemption from authorizing requirements in emergency situations. We're also working with Congress on legislation to ensure utilities can use drones for grid maintenance and repairs.

Interior Plans Hearings on Federal Coal Leasing Environmental Review

The Bureau of Land Management (BLM) announced its next steps for a sweeping [environmental review](#) of the federal coal leasing program announced in January. The BLM [notice](#) for the environmental impact statement on coal leasing includes six public meetings in Casper, WY; Grand Junction, CO; Knoxville, TN; Pittsburgh, PA; Salt Lake City, UT; and Seattle, WA. We'll let you know when the dates and locations are announced. BLM held listening sessions on coal royalty rates last year and commented to emphasize the federal coal program's importance to electric co-ops and we'll work with you on comments for the upcoming hearings.

EPA Files Reply to Co-ops, States GHG Legal Challenge

EPA filed its response to the lawsuit by NRECA, 39 G&T co-ops and others challenging the [Clean Power Plan](#) in the D.C. Circuit Court of Appeals, but the agency brought no new arguments to the case. EPA's position was also supported in filings from 200 congressional Democrats, 18 states and the District of Columbia and others backing the existing power plants GHG rule. The filings are part of a process leading up to oral arguments on June 2, 2016. A court ruling is expected this summer or fall. The EPA rule is stayed under a U.S. Supreme Court [stay](#), and all legal and regulatory obligations of affected [parties](#) and [states](#) are on hold until the legal challenges are resolved. The Supreme Court could take up the case late this year and issue a final decision in June 2017, but it's possible the high court's review could slip into 2018.

51st State Initiative Report Available Online

Our 51st State Initiative Phase 2 concept paper is available [online](#). The report, part of an ongoing project sponsored by the [Smart Electric Power Alliance](#), promotes the Consumer-Centric Utility business model as an ideal vehicle for developing a sustainable power system in the 21st century. You can also see our [Phase I report](#) that highlighted the value of local control that is a key principle for electric cooperatives. [Smart Electric Power Alliance](#) is the merged Solar Energy Power Association and Association for Demand Response and Smart Grid, and will soon launch a new website.

NRECA 2016 Service Awards Open for Nominations

Here's your chance to recognize outstanding electric co-op leaders and champions by nominating them for NRECA's 2016 service awards. The deadline for nominations is May 17, 2016. NRECA's Board Service Awards Committee will meet during the summer board meeting in June to review nominations and select the winners. Award winners will receive a letter in July and NRECA will contact them about when and where they will be honored. To receive the packet containing all the information you need to nominate someone, contact your statewide manager or NRECA's [Janet Gibson](#).