

June 10, 2016

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

Co-op Lineman Honored for International Service by Energy Bar Association

We're really proud of John Medved, a Shenandoah Valley Electric Co-op (VA) lineman, and other utility line workers honored by the Charitable Foundation of the Energy Bar Association for their volunteer work to help electrify small and rural communities in developing countries. The Charitable Foundation's annual gala honored the line workers as part of a [campaign](#) with the [NRECA International Foundation](#) to raise funds to electrify a rural village in Bolivia. Electric co-op line workers were also recognized for other service to the [NRECA International Program](#). NRECA's Senior Vice President and General Counsel Rich Meyer has served as EBA President for the past year.

Resolutions Committee Reviews Proposals to Launch Annual Resolutions Process

Thank you to the NRECA [National Member Resolutions Committee](#) for their outstanding work in reviewing proposed resolutions during the Issues Meeting today. The work by Chairman Dave Wheelihan and the committee members launches our annual Resolutions process. We thank the co-ops that submitted proposed resolutions and the many members who watched the Issues Meeting online. The Resolutions Committee's report and proposed resolutions will be posted on the [Regional Meetings page](#) in July and sent to Regional Resolutions Committees for consideration at their [Regional Meetings](#) later this year.

Senate Passes TSCA Bill, President Expected to Sign It

In good news for electric co-ops and other utilities, the Senate passed (voice vote) Toxic Substance Control Act modernization legislation (H.R. 2576) that keeps current polychlorinated biphenyls (PCBs) regulation in place, including federal preemption over management of PCBs in transformers and other equipment. The President is expected to sign the bipartisan bill. NRECA has worked this issue since legislation was introduced in early 2013.

Future Leaders Arriving for Electric Co-op Youth Tour!

We're excited to have our brightest high school juniors and seniors arriving for the annual [Electric Co-op Youth Tour](#). We have 1,691 students from 43 states! Activities include visits with congressional leaders and staff. Thank you to co-op sponsors, the 287 chaperones and the Youth Tour Directors from each state. See highlights on [Facebook](#) and follow on [Twitter](#). Use #YTDC. The Youth Tour will also highlight the [Co-ops Vote](#) campaign.



Co-op CEO Warns Against States Moving Ahead on CPP during Court Stay

Tri-State G&T (CO) CEO Micheal McInnes [told](#) the Senate Environment and Public Works

Committee that some states' efforts to move ahead with the Clean Power Plan final rule stayed by the U.S. Supreme Court could have costly impacts for electric co-ops. Tri-State is in a similar situation as co-ops in several states where regulators continue to develop implementation plans with EPA's assistance while courts hear lawsuits challenging the final rule. He said states should put the "pencil down" on CPP implementation for now. He noted any state efforts on the stayed rule can make the CPP's negative impacts worse for consumers, because any plans developed now will likely need to be redone and could rule out options to work on a regional plan with several states.

Senate Appropriations Committee Addresses FY17 LIHEAP Funding

The Senate Appropriations Committee passed (29-1) an FY17 Labor-Health and Human Services spending bill with level funding for the Low Income Home Energy Assistance Program (LIHEAP). The bill provides \$3.39 billion in heating and cooling assistance for low- and fixed-income households and helps our most vulnerable electric co-op members. Appropriations Labor-Health Subcommittee Chairman Blunt (R-MO) noted that LIHEAP is one of the "core programs that benefit every state." With limited legislative days left, final Senate consideration of the Labor HHS spending bill will likely be rolled into an omnibus package later this year.

House Passes Bill to Delay EPA Enforcement of Lower Ozone Levels

The House passed (234-177) a bill that would delay EPA enforcement of its ozone air quality standards [final rule](#) issued in October 2015 while EPA, states and the regulated community continue to work to implement the 2008 ozone standard. The bill (H.R. 4775) sponsored by Rep. Olson (R-TX) would delay the 2015 standard for eight years to 2025 as the 2008 ozone standard is fully implemented. The bill goes to the Senate under the threat of a White House veto.

Co-ops Need Flexibility in Electric Storage Resources

NRECA filed [comments](#) urging the Federal Energy Regulatory Commission (FERC) not to adopt a one-size-fits-all approach to market rules for electric storage resources in regional transmission markets. FERC is considering possible rulemakings to encourage use of electric storage resources. We want FERC to recognize that electric co-ops will deploy different electric storage resources that best meet their demand and the regional markets. While electric storage resources can help boost demand response, they are most effective when deployed in combination with traditional generation resources and transmission infrastructure. Golden Spread Electric Co-op (TX) also filed [comments](#) supporting NRECA's position. The co-op said deployment and participation of energy storage in transmission markets should not be determined by "artificial or uneconomic barriers or subsidies."

NRECA Comments to FTC Highlight Co-ops' Consumer Focus

NRECA filed [comments](#) in preparation for the Federal Trade Commission's solar industry competition and consumer protection workshop on June 21. The FTC is reviewing whether the solar industry is treated fairly. Our comments stress that electric co-ops are member-owned utilities focused on providing affordable, reliable, and safe electric service 24 hours/day. NRECA is committed to protecting consumer interests related to solar photovoltaic system installations. We also highlighted that co-ops sell safe, reliable, and affordable electric service over the long term, and do not simply provide a commodity product. We'll be monitoring the FTC workshop to determine whether the commission will be taking further action on this area.

Carbon Capture Test Facility Highlighted in Video

A new [video](#) featuring NRECA and electric co-op experts looks at an industrial-scale laboratory that will test innovative methods for removing and utilizing carbon dioxide emissions from coal-fired power plants. The Integrated Test Center at Basin Electric Power Cooperative's Dry Fork Station facility (WY) will allow researchers to test carbon dioxide capture and utilization in real-world conditions. The project [broke ground](#) in April 2016.