

December 16, 2016

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

Trump Selecting Team to Lead New Administration

President-elect Trump has named most of his cabinet officials now that we are just over a month removed from the election, including key positions that have an impact on electric cooperatives. Trump has officially named Oklahoma Attorney General Scott Pruitt for EPA Administrator, former Texas Gov. Rick Perry as Energy Secretary and Rep. Ryan Zinke (R-MT) for Interior Secretary. The Agriculture Secretary position has not yet been named, but several current and former elected officials and business leaders are reportedly under consideration. Overall, the incoming Administration will need to appoint people to more than 1,000 Senate-confirmed positions, and roughly 3,000 additional positions that do not require Senate confirmation.

The incoming Administration is focusing on several key priorities for early action in 2017, including repealing the Affordable Care Act, comprehensive tax reform and eliminating or modifying regulations that have been developed over the past several years. NRECA met with officials from the transition team along with broad array of the energy sector yesterday, during which time we emphasized the unique role electric cooperatives play and the need for the incoming Administration to focus on issues important to rural America. We also have conversations scheduled with officials next week to talk more specifically about modifying existing regulations related to environmental and endangered species issues.

Co-op Leaders Named to Emergency Response Vehicle Advisory Panel

Two electric co-op representatives were named to the new [Federal Highway Administration Emergency Route Working Group](#). During past disasters, co-op line crews have faced delays crossing state lines and other obstacles to arriving at a disaster scene in a timely manner. The panel will make recommendations to help ensure vehicles used in emergency response and recovery have timely and appropriate access to disaster scenes. Michael Temple, Alabama Rural Electric Association Director of Training and Risk Management, and Michael Callahan, CEO of the Electric Cooperatives of Mississippi, will serve two-year terms. The first committee meeting is Monday, January 9, 2017.

Eagle Permit Final Rule Seeks to Add Transparency, Reporting Requirements

The Fish and Wildlife Service (FWS) issued a [final rule](#) that revises the eagle permit regulations to extend the time period for permitting industrial projects from five years to 30 years. The permits apply equally to all industry types, even though the standards and protocols within the permitting framework are specific to wind energy facilities. Projects will get a non-public review every five years, but bird deaths and injury data would be made public. The FWS said it

will work with electric distribution companies and others to develop project-specific procedures to address eagle impacts. The FWS tried to extend the permit period for industrial projects in the past, but that rulemaking was overturned by a court in 2015. The rule takes effect January 17, 2017.

Happy Holidays! Next Update in January

This is the last update on regulatory and legislative activities this year. We'll send the next update when Congress reconvenes the week of January 3, 2017. The entire NRECA staff send holiday greetings to our electric co-op family and best wishes for the new year. Our deepest thanks to you and your co-ops for all of the hard work and support in pushing our electric co-op priorities and issues in 2016. We look forward to working with you on our regulatory and legislative efforts in the year ahead.