

January 6, 2016

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

After Opening Ceremonies, New Congress Starts Ramping Up

With swearing-in ceremonies and leadership votes complete, Congress is focused on setting agendas and starting work on legislation. The Senate and House are now working toward votes next week on an FY17 budget resolution focused on repealing the Affordable Care Act (Obamacare). The Senate will quickly be turning to confirmation hearings and votes on President-elect Trump's cabinet nominations, and will take up much of the Senate's time in the two weeks leading up to Inauguration Day.

Hearings are scheduled for next week for John Kelly (Homeland Security), Elaine Chao (Transportation), Rex Tillerson (State), Sen. Jeff Sessions (Attorney General), Wilbur Ross (Commerce), Ben Carson (Housing and Urban Development), and Betsy DeVos (Education). Hearings on the nominations of Andrew Puzder (Labor) and Rep. Tom Price (Health and Human Services) are scheduled for the following week and other hearings, including hearings for the energy/environment nominees, are expected to be announced soon.

Senate leaders wants to move to approve the President-elect's nominees as quickly as possible to get as many members of the Cabinet into place as soon as Trump takes office. Democratic leaders are pledging to take a very close look at a number of nominees, but nominations are no longer subject to the filibuster due to a rule change in the Senate a few years ago.

Co-op Recommendations included in 2016 Energy Review Report

The Energy Department's 2016 <u>Quadrennial Energy Review</u> (QER) report released today includes recommendations by electric co-ops and NRECA during stakeholder meetings last year. The report includes points we made on the economic benefits of electrification. It also acknowledged that providing more electric system technologies and innovations for end-users can provide environmental benefits, including carbon reductions.

The report highlights innovative electric co-op efforts, including energy efficiency programs like the Roanoke Electric Cooperative (NC) <u>Upgrade to \$ave</u> program to help members with home efficiency improvements. The report also includes recommendations aimed at increasing cybersecurity and data protection. The QER process, started in 2014, is used to make policy and budget recommendations. We're still reviewing the 500-page report and will provide updates.

Final 2017 Nationwide Permits Renewal Issued

The Corps of Engineers issued its final <u>2017 Clean Water Act Nationwide Permits Program</u> (NWP) today, largely retaining the permit structure used over the last five years (which is good

news). The new permits keep the current acreage limits, and pipelines will continue to be included in NWP 12 (Utility Line Projects). It revises General Condition 17 on Tribal Rights and includes new tribal-related definitions. The <u>NWP</u> provides streamlined Clean Water Act permitting for specific categories of activities – including some linear projects like construction of power lines – that the agency determines will have only a minimal impact on streams, wetlands, or other Waters of the U.S. NRECA is reviewing the final rule and will provide updates. The new permits complete a renewal done every five years.

Touchstone Energy Starts Search for New Executive Director

Touchstone Energy has started the search for an <u>Executive Director</u> who will provide executive, strategic and operational leadership when COO Mary McLaury retires this spring. Touchstone Energy is looking for a leader with 10 or more years of management experience, including brand, business development, strategic communications, public relations/advertising and/or product management. That person will also be a strong communicator and collaborative leader. See the <u>Executive Director, Touchstone Energy</u> position at NRECA's careers <u>webpage</u>. Interested persons should send a resume directly to **Korn Ferry** at <u>TSED@kornferry.com</u>.

Senate Cyber Hearing Stresses Need for Information Sharing and Coordination

Lawmakers stressed the importance of continued private and government sector cybersecurity information sharing and coordination during a Senate Armed Services hearing on foreign cyber threats. Ensuring electricity sector and other industries are protected from threats was also mentioned during the hearing mostly focused on alleged Russian hacks during the 2016 elections. Committee members mentioned the Electricity Subsector Coordinating Council, which includes NRECA and electric co-op representatives, as an example of government and industry working together and closely coordinating security strategies.

Cybersecurity Summit to Highlight New Co-op Program

Electric co-op CEOs and cybersecurity staff can still <u>register</u> to attend the free "Addressing Cyber Security Risk" summit on Wednesday, January 18, at the National Renewable Energy Lab in Golden, CO. The event will include a presentation on NRECA's new Rural Cooperative Cyber Security Capabilities Program. The program to assist small- and medium-sized co-ops that have few or no information technology staff was developed through an Energy Department <u>award</u>. Four more summits in other regions of the country will be held this year.

OSHA Issues Beryllium Final Rule

The Occupational Safety and Health Administration today issued a <u>final rule</u> on workplace exposure to beryllium (an element in a variety of materials). We're reviewing the 900-plus page rule and will provide an update. The rule will be published in the *Federal Register* on Monday.