

April 3, 2017

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

Latest Executive Order Takes Aim at Clean Power Plan, Other Regulations

President Donald Trump's [executive order](#) directing EPA to review power plant greenhouse gas (GHG) rules is welcome news for electric co-ops (NRECA summary attached). NRECA CEO Jim Matheson attended the signing ceremony to support a formal review of the Clean Power Plan (CPP). EPA Administrator Scott Pruitt sent a letter to all state governors advising that the U.S. Supreme Court's stay of the CPP is still in effect and states have no obligation to spend resources to comply during that stay. It will take significant time for the EPA to go through the formal rulemaking to repeal or revise both rules. NRECA will continue working with the Administration on a regulatory approach that allows co-ops to continue to provide affordable, reliable power and to meet the needs of the communities they serve with all-of-the-above options.

The executive order also addressed several other rules and executive actions important to electric cooperatives. The order withdrew guidance for agencies to consider climate change impacts in environmental reviews and eliminated several orders regarding the use of the social cost of carbon in decision-making.

Administration Asks Court to Suspend Lawsuits on GHG Rules

NRECA is supporting the Justice Department motions filed in the D.C. Circuit Court of Appeals to put a hold on lawsuits challenging the CPP for existing power plants and New Source Performance Standards for new plants until EPA reviews the rules. The Administration's request to hold the litigation in abeyance asks the court hold off on any further action until after EPA decides what it will do to repeal or revise the regulations after reviewing them. After receiving the motions, the court changed its calendar to postpone the oral arguments over the rule on emissions from new power plants that were scheduled for April. The court could issue a decision on the abeyance motions in the next several weeks.

Agriculture Secretary Nomination Clears Committee

The Senate Agriculture Committee voted to send Agriculture Secretary-designate Sonny Perdue's nomination to the full Senate. The committee gave a favorable recommendation for Perdue on a voice vote. The Senate could vote on the nomination next week, but the expected fight over Judge Neil Gorsuch's nomination to the Supreme Court could interfere with a vote on Perdue's nomination. NRECA supports Perdue's nomination, issuing a [statement](#) when he was nominated in January and joining on a letter from a coalition of more than 600 rural and farm organizations. He is a member of Flint Energies in Georgia, and understands electric co-op

issues and our mission to enhance the quality of life in the communities we serve.

President Signs Legislation to Void BLM ‘Planning 2.0’ Rule

President Trump signed a congressional disapproval resolution to block the Bureau of Land Management’s (BLM) “[Planning 2.0](#)” regulation that took effect on January 11. Electric co-ops supported the legislation (H.J. Res. 44) to void the BLM Planning 2.0 rule because it undercuts state and local government and community input in the federal lands planning process and weakens state consultation. There was significant opposition to the regulation among state officials and regional planners in the West, where the BLM oversees about 160 resource management plans.

Speaking at an event, Interior Secretary Ryan Zinke said he intends to make changes that will help the agency’s regional land managers to better collaborate and partner with communities and residents near federal lands. He said the agency will do a better job of federal lands maintenance.

Tax Reform Moves Up Agenda, While Health Care Reform Hopes Linger

With health care reform legislation sidelined, congressional Republicans and the President are looking to move tax overhaul legislation to the top of their agendas for 2017. Top House Republicans and Administration officials say they’re aiming to get a tax deal done by August. Despite the shift to tax issues, some House Republicans continue to discuss a health care deal. While it’s uncertain if health care legislation will come back as some supporters hope, we’ll be looking for other opportunities for legislation to repeal the “Cadillac Tax,” a 40-percent tax on employer-sponsored health plans.

House Passes Legislation to Streamline Small Disaster Assistance Payments, Provide Clarity

The House passed two bills aimed at giving Federal Emergency Management Agency disaster relief recipients greater consistency and clarity with processes. The Disaster Simplified Assistance Value Enhancement Act (H.R. 1214) streamlines delivery of assistance for small disaster assistance recovery projects by temporarily increasing the simplified projects threshold to \$500,000. Currently, only projects costing less than \$123,100 are eligible for this streamlined process. The increase would sunset on September 30, 2021. A FEMA grants bill (H.R. 1117) would require the agency to develop a plan to improve record keeping on funding to applicants and grantees. NRECA supports these bills.

Registration Open for Next Cybersecurity Summit

NRECA’s next Addressing Cyber Security Risk summit will be April 26 at the University of Arkansas Cybersecurity Center for Secure Evolvable Energy Delivery Systems. NRECA’s new [Rural Cooperative Cyber Security Capabilities Program](#) will be discussed at the free summit. Co-op CEOs and staff with cybersecurity responsibilities (including office administrators, billing and finance and information technology staff) can [register](#) to attend. NRECA plans four more summits in other regions of the country this year.

2017 NRECA Member Resolutions Posted on Coopearative.com

The 2017 [Member Resolutions](#) booklet is available for your co-op board and staff on

Cooperative.com. Your co-op delegates voted on these resolutions at our Annual Meeting in San Diego, and they'll guide NRECA staff over the next year. Democratic member control is one of our co-op principles, and our ability to engage in meaningful policy debates and find consensus sets NRECA apart from other associations. See more about the resolutions on [Cooperative.com](#).

Attached: NRECA summary of executive order.