

April 28, 2017

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

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### ***Co-ops Engage All Levels of Congress and Administration at Legislative Conference***

Thank you to the 2,100 electric co-op leaders who helped to send a strong message to Congress and key agencies during an exciting Legislative Conference. They had meetings with four Cabinet members, dozens of agency leaders and hundreds of members of Congress. Through social media, we had nearly 1 million Twitter impressions because our members, allies, members of Congress, and even Energy Secretary Rick Perry used the hashtag [#CoopsPowerUs](#) to expand our political reach.

As keynote speaker, Perry invited electric co-ops to engage with him in discussions on an all-of-the-above energy strategy and cybersecurity policies. Perry, who watched the lights go on at his parents' Texas farm, said "you need to be part of this conversation." EPA Administrator Scott Pruitt's made the same point to 20 G&T co-ops, and repeated the invitation for co-op input that he offered while visiting Associated Electric Co-op (MO) last week. Office of Management and Budget Director Mick Mulvaney (former SC congressman) joined the South Carolina co-ops and guests at their reception. Georgia co-op representatives greeted Agriculture Secretary Sonny Perdue as he arrived at his office within hours of being sworn in.

NRECA CEO Jim Matheson said NRECA will continue to work with your co-ops to stay on the offensive and be an assertive voice for America's energy consumers as we get greater attention from the Administration and Congress. Co-ops can keep up the momentum by continuing to invite congressional, local and state leaders to co-op facilities and events, and sending op-eds and columns on co-op issues to local media. Stay in front of elected officials through [Co-ops Vote](#) in 2017, and supporting the [Action Committee for Rural Electrification](#) (ACRE®). Update your co-op political action plan; contact NRECA's [Patrick Ahearn](#) if you need resources for that effort.

### ***President Issues Executive Order on Rural Issues***

The day after the Senate's 87-11 confirmation [vote](#) for Agriculture Secretary Sonny Perdue, the President gave him his first major assignment in an agriculture and rural development [executive order](#) that addresses a [request](#) by NRECA and other groups to create a new rural task force based on stakeholder groups' input. NRECA will coordinate with the task force and urge it to take a broad approach to the needs of rural communities.

### ***Court Suspends Lawsuits on Power Plant GHG Rules***

The D.C. Circuit Court of Appeals today granted a 60-day hold on lawsuits challenging the Clean Power Plan (CCP) for existing power plants and New Source Performance Standards for

new plants. The court's order will hold the litigations in abeyance for 60 days and requires additional briefing by the parties on whether to send the cases back to EPA to consider repealing or revising these rules. The court ordered the supplemental briefs be filed by May 15. If the CPP is sent back to EPA, the U.S. Supreme Court stay on that rule would be lifted.

### ***Committee Moves Bill on Federal Lands Rights-of-Way Maintenance***

The House Natural Resources Committee passed (24-14) the Electricity Reliability and Forest Protection Act (H.R. 1873), a [priority](#) that you worked during Legislative Conference. Three Democrats joined all Republicans in voting for the bill. NRECA sent a letter (attached) supporting the [measure](#) that would make it easier for co-ops and other utilities to maintain power line rights-of way on federal lands. H.R. 1873 would help improve regular access to rights-of-way by changing Bureau of Land Management and Forest Service policies that make it difficult for utilities to remove trees and vegetation that threaten reliability and could cause wildfires. It's aimed at providing certainty for co-ops to do proper vegetation management on power line rights-of-way to ensure reliable electricity for millions of families and businesses.

### ***Senate Bill Aims to Modernize Agency Rulemaking Process***

Four senators are cosponsoring regulatory reform legislation. The Regulatory Accountability Act (S. 951) cosponsored by Sens. Rob Portman (R-OH), Heidi Heitkamp (D-SD), Orrin Hatch (R-UT) and Joe Manchin (D-WV) would require earlier public notice of the reason for a potential rulemaking and cost-benefit analysis for most rules. Cost-benefit analysis for rules with an economic impact of more than \$100 million would be open to court review. It would require 10-year reviews to ensure any new rules are fulfilling their goals. The bill has more targeted reforms than a larger regulatory reform package the House passed earlier this year.

### ***Co-op CEO Reminds EPA Other Burdensome Regulations Need Action***

Hoosier Energy Cooperative CEO Steven Smith urged EPA to look beyond the Clean Power Plan and power plant wastewater regulations to quickly address other regulations that impact co-ops. During a small business stakeholder meeting, Smith said EPA should use its authority under 2016 water resources legislation to start approving state environmental departments to permit and enforce EPA's non-hazardous coal ash rules. He said EPA should also reverse course in the regional haze program and give the lead role in decisions back to states.

### ***FWS Should Update Estimates on Migratory Bird Red Tape***

NRECA is urging the Fish and Wildlife Service (FWS) to update its cost-impact estimates for migratory bird and eagle permit paperwork. We joined with two coalitions to submit comments that emphasize the FWS lists unrealistic estimates for overall hourly costs of preparing permit applications, submitting reports and other filing requirements. The comments also stressed the FWS fails to consider the costs of consultants and scientists often needed to complete the monitoring and reporting requirements.

### ***House Panel Warned about FEMA Disaster Fund 'Deductible'***

A House Transportation and Infrastructure subcommittee heard warnings about harmful impacts of a "[deductible](#)" concept for the Federal Emergency Management Agency's (FEMA) Public Assistance Program disaster relief fund recipients. NRECA opposes the concept to require

recipients to meet a predetermined financial commitment before FEMA would provide disaster relief funds. During a hearing focused on ways to improve disaster relief, the deductible concept was criticized by an Oregon emergency management official, who said it would shift most of the liability on states. His concerns were echoed by some lawmakers. NRECA filed comments stressing the concept conflicts with Congress' intent in the Stafford Act and is unworkable. We're working to ensure that FEMA assistance remains available to co-ops, and the program runs smoothly as possible.

***Next Free Cybersecurity Summit in Illinois on May 31***

NRECA's next Addressing Cyber Security Risk summit will be on May 31 in Illinois. 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 get details at this [website](#). Energy Secretary Rick Perry highlighted the effort during the Legislative Conference as a great partnership to help smaller co-ops address cybersecurity issue. The program to assist small- and medium-sized co-ops was developed through an Energy Department [award](#). NRECA plans two more summits in other regions of the country this year. Sign up for NRECA's [TechUpdate](#) to receive the latest on our efforts.

**Attached:** NRECA letter supporting H.R. 1873