

September 22, 2017

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

Co-op CEO Urges Congressional Action on Rights-of-Way Management Legislation

Missoula Electric Cooperative General Manager Mark Hayden urged the Senate to pass legislation that would make it easier for electric co-ops and other utilities to maintain power line rights-of-way on federal lands. He <u>testified</u> to the Senate Energy and Natural Resources Committee in support of legislation like H.R. 1873 and similar Senate legislation that would allow utilities to do rights-of-way management to prevent disasters and restore outages that threaten reliability and safety. The House <u>passed</u> H.R. 1873 in June. Hayden said rights-of-way access is particularly important in Western states,



where power lines often cross federal lands that are often sites of wildfires. Sen. Steve Daines (R-MT) <u>spoke</u> in support of Hayden's testimony and highlighted the electric co-ops' role in providing power for rural Americans. This was one of the Legislative Conference priorities electric co-ops took to Capitol Hill in April.

NRECA Keeping Co-op Farm Bill Priorities in Front of Congress

NRECA highlighted electric co-ops' farm bill priorities in a letter to the House and Senate Agriculture committees. The letter reinforces electric co-op leaders' testimony at several House and Senate farm bill listening sessions so far this year. NRECA is urging Congress to support farm bill programs important to electric co-ops, including the Rural Utilities Service electric loans, Rural Broadband loans and grants, and Rural Economic Development Loan and Grant Program. The letter also emphasizes that electric co-ops support reauthorizing the Rural Energy for America Program and Rural Energy Savings Program, which co-ops use to finance investments in energy efficiency, build new renewable energy resources, and deploy innovative technologies to modernize the grid and help co-op member-owners realize energy savings. House and Senate Agriculture committees are working to pass legislation before the current farm bill expires in 13 months.

Co-ops Named in Grid Resiliency and Modernization Projects

Alaska, Georgia, Texas and Vermont electric co-ops and NRECA are innovative partners named in several <u>resilient distribution system</u> or <u>grid modernization</u> projects selected for Energy

Department grants. Alaska Village Electric and Cordova Electric are part of a resilient distribution system improvements project that includes energy storage. Jackson EMC (GA) is in a project on integrating residential loads into distribution management systems. Vermont Electric is named on two projects on grid resilience and intelligence platforms and distributed energy resources. Pednerales Electric (TX) and NRECA are in a group developing distribution system support tools. NRECA is also a partner on several other national lab projects. The Energy Department said electric co-ops in 17 states from New York to Montana could be potential research locations for national lab projects.

Rural Broadband Auction Rules Should Encourage Small Provider Bids

NRECA, statewide associations and electric co-ops are urging the Federal Communications Commission (FCC) to ensure small broadband providers like co-ops can compete in the Connect America Fund Phase II <u>reverse auction</u> that will award \$2 billion over 10 years to develop rural broadband. Electric co-ops joined a rural coalition in filing comments that advocate for flexible auction rules and bidding process that will encourage participation by small providers. The Phase II bidding will focus on providing broadband in unserved and underserved rural areas. The auction should rewards bids that will provide high speed service and low latency (data delivery delays) that will help ensure that rural consumers have access to broadband services that are reasonably comparable in cost and quality to typical service in urban areas. NTCA - The Rural Broadband Association and the Utilities Technology Council are also coalition members.

Senate Committee Clears FERC Nominees, Commission Restarts Meetings

The Senate Energy and Natural Resources Committee approved the Federal Energy Regulatory Commission nominations of Kevin McIntyre, an energy industry lawyer, and Richard Glick, the committee's Democratic General Counsel. McIntyre and Glick will fill the last two open seats on the five-member commission, allowing it to increase the workload pace. Timing for Senate floor votes has not been announced. FERC held its first open meeting since the confirmation of Commissioners Neil Chatterjee, a former NRECA GR employee, and Robert Powelson restored a quorum. Chatterjee, the current chairman, said FERC doesn't plan to take up major issues or cases until McIntyre and Glick are confirmed. He said FERC could move on some major issues if the confirmations are delayed.

NRECA to Host National Cybersecurity Awareness Sessions

NRECA, in collaboration with the Homeland Security Department and National Cyber Security Alliance, will host a free "Insights on Cybersecurity for Electric Utilities" forum and workshop at NRECA in Arlington, VA, on Tuesday, October 10th. A part of <u>National Cybersecurity</u> <u>Awareness Month</u>, the event will include remarks by NRECA CEO Jim Matheson and Federal Trade Commission Acting Chairman Maureen Ohlhausen. Experts will give insights on cyberthreats, what co-ops can do to enhance resiliency and resources for small and medium utilities. Those attending can also participate in an interactive cybersecurity workshop on small and medium utilities. <u>Registration</u> is now open. A webcast is also available for the morning event, except for the interactive workshop.