

Notes to Co-op Nation

June 14, 2013

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

FROM: Jo Ann Emerson

Electric Co-op Youth Tour Brings Excitement of Our Future Leaders to Washington

I can already feel the energy as some of Co-op Nation's brightest high school juniors and seniors start arriving for the 49th annual Electric Co-op Youth Tour. 1,589 students from 43 states are headed our way – a record turnout! Their busy schedule includes Hill visits with congressional leaders and staff. A big thank you to co-op sponsors of these students and the 299 chaperones. See highlights on [Facebook](#) and follow the action on [Twitter](#). Use #YTDC in tweets.

And, I wish to thank RESMA for hosting me at an excellent meeting in Traverse City, MI, and the insightful discussions on issues that electric co-ops are facing in their states.

Senate Passes Farm Bill, House Floor Action Next Week

We're glad to see meaningful farm bill progress. The Senate's 66-27 bipartisan vote for a five-year bill (S. 954) is a good step toward passing legislation important to electric co-ops and rural America. S. 954 creates a RUS program to help co-ops offer low-interest loans to consumers for energy efficiency improvements that can lower electric bills for families across the country. The bill also reauthorizes the Guaranteed Underwriter Program and updates a study of railroad pricing abuses. However, we're concerned that it severely limits the RUS Broadband program.

Now it's on to the House, where the farm bill got a boost when House Speaker Boehner (R-OH) said he'd actually vote for it. We joined 193 other Ag groups on a letter (attached) urging passage. The House version (H.R. 1947) has better broadband language, but still needs additional changes. H.R. 1947 has a different approach on RUS energy efficiency and railroad reform, but similar intents. We also support a House bill provision clarifying that pesticide applicators, like co-ops, don't need a Clean Water Act permit on top of existing regulations.

House Appropriators Clear Agriculture Spending Bill with Co-op Provisions

Co-op provisions held in the House Appropriations Committee's Agriculture spending bill markup vote. Along with a \$ 4 billion RUS electric loan level for FY14, the bill includes important language rejecting the Administration's proposed budget restrictions on RUS lending.

House Passes Bill to Clarify Derivative End-User Exemption

We applaud the House again voting, 411-12, to pass a bill (H.R. 634) clarifying that Main Street end-users of derivatives, like electric co-ops, should be exempt from costly margin (collateral) requirements under the Dodd-Frank Act. The Business Risk Mitigation and Price Stabilization Act also includes new language exempting cooperative entities, like the Cooperative Finance Corp., that provide financing for their member end-users.

Eminent Domain Bill with Utility Exception Moving in House Committee

We support an eminent domain bill the House Judiciary Committee favorably reported on a voice vote. The Private Property Rights Protection Act (H.R. 1944) would exempt electric utilities from restrictions placed on the use of eminent domain authority. The bill does not interfere with utility use of eminent domain to build distribution or transmission facilities.

President Orders Transmission Siting and Planning Reports

We're reviewing President Obama's recent memo telling the Energy, Agriculture, Commerce, Interior and Defense secretaries to develop a process for siting and permitting new electric transmission and selecting transmission corridors. The memo tells the agencies to work together on 2005 Energy Policy Act provisions aimed at designating energy right-of-way corridors on federal lands, with a particular focus on "renewable energy resources and ... improving grid resiliency." DOE also must produce two "Transmission Corridor Assessment" reports: one focusing on the Western states by December 2013 and a second for all other states by April 2014. By September 30, 2013, the agencies must draft a pre-application process for significant onshore electric transmission projects for the President's Council on Environmental Quality. We'll take advantage of several opportunities to comment on these initiatives.

Metal Theft Prevention Bill Clears Senate Committee

Metal theft legislation electric co-ops support cleared the Senate Judiciary Committee on a voice vote. The Metal Theft Prevention Act (S. 394) would make metal theft a federal crime and make it harder to sell stolen metals, as well as impose tougher federal penalties for metal theft convictions. The committee's action is a good first step to addressing a severe problem many electric co-ops face, sometimes with fatal outcomes for the criminals.

See Resolutions Committee Action on Cooperative.com Next Friday, Send Your Proposals

Watch the National Resolutions Committee's meeting on emerging issues affecting Co-op Nation live next Friday, June 21, on www.cooperative.com starting at 9 a.m. (Eastern time). The committee, formerly the "Issues Committee," will review proposed resolutions sent by NRECA members across the country. Topics include FEMA assistance, Columbia River water rights and rural economic development. Proposed resolutions the committee passes will be discussed at each Regional Meeting this fall. You can still send proposals to resolutions@nreca.coop!

Slots Still Open for June 20 Utility Spill Prevention Webinar

You can still sign up for the June 20 webinars for [distribution](#) and [G&T](#) co-ops on EPA's Spill

Prevention Control & Countermeasures (SPCC) program. Mark Howard, EPA's SPCC Technical Team Leader, will review SPCC requirements, special provisions for small utilities and how to prepare for an inspection. The G&T webinar will also cover tank integrity testing.

NRECA Urges Timely Access to Public Safety Network for Rural Communities

We joined the Rural Broadband Association in [comments](#) urging FCC to ensure the proposed Public Safety Broadband Network for first responders is built in rural communities at the same pace as urban areas. We recommended the FCC set clear coverage requirements and deadlines for the First Responder Network Authority (FirstNet) to get the system running. We asked FCC to ensure rural areas have access to the system designed to allow any emergency phone, radio or other device to work across the nation.

Attached: Letter to House on farm bill