

Notes to Co-op Nation

August 9, 2013

TO: NRECA Board of Directors

Distribution CEOs Statewide Managers G&T Managers

FROM: Jo Ann Emerson

RUS Urged to Go Slow with Rulemaking on Rural Eligibility and Finance Percentage

We sent a <u>letter</u> urging USDA to fix problems in a <u>rulemaking</u> that would change how RUS determines rural loan eligibility and the share of financing it would provide for borrowers. USDA should re-issue the rule after fixing these problems. Otherwise, the proposed rule could expand RUS' program authority beyond what current law allows and undermine lending to not-for-profit borrowers. We want RUS to stay within its authority, keep the priority on not-for profit borrowers and clarify all borrowers must meet the same requirements. This is a separate RUS proposal from the "project financing" rulemaking to grant loans on a "project-specific" basis instead of traditional system-wide liens and give more loans to non-traditional applicants.

EPA to Consider Additional Data for Wastewater and Coal Ash Rulemakings

We're reviewing EPA's <u>proposal</u> to include new additional data in two pending rulemakings on power plant wastewater guidelines and coal ash regulation that will impact electric co-ops. Public comments on the <u>additional data</u> are due September 3. The data would also have an impact on a coal ash proposal on regulating coal ash as hazardous or non-hazardous. EPA said the new data could lower the coal ash rule risk assessment by an amount that may support regulating coal ash as non-hazardous. We're joining the Utility Solid Waste Activities Group in asking for more time to comment.

Senate Names Farm Bill Conferees, House Action Expected After Recess

Co-op Nation can make good use of farm bill <u>talking points</u> in your congressional recess <u>packet</u>. It's one of four key issues to raise with your House and Senate leaders back home. The Senate has named its farm bill conferees: Sens. Stabenow (D-MI), Leahy (D-VT), Harkin (D-IA), Baucus (D-MT), Brown (D-OH), Klobuchar (D-MN), Bennet (D-CO), Cochran (R-MS), Roberts (R-KS), Chambliss (R-GA), Boozman (R-AR) and Hoeven (R-ND). The House will name its conferees after it works on a stand-alone bill to address controversial nutrition-food stamp provisions not included in its version.

More Hydropower Legislation Goes to President

We welcome the latest congressional action on hydropower legislation. The Hydropower Regulatory Efficiency Act (H.R. 267) and Bureau of Reclamation Small Conduit Hydropower

Development and Rural Jobs Act (H.R. 678) went to the President this week after the Senate cleared the bills by unanimous consent.

PMAs Targeted by Congressional Climate Action Plan Proponents

Our core Power Marketing Administration (PMA) program was wrapped into recommendations sent to the Department of Energy by some House and Senate Democrats who support the President's Climate Action Plan. The Bicameral Task Force on Climate Change report took some ideas from former Energy Secretary Steven Chu's 2012 memo to PMA administrators. The task force wants PMAs to adopt rates and policies that make integration of renewable energy sources a higher priority than delivery of low-cost hydropower to preference customers. Given co-op efforts in opposition to the Chu memo and Energy Secretary Ernest Moniz's answers to questions on hydropower issues during his confirmation, we don't expect these recommendations to get much attention.

NRECA Opposes Mobile Tracking System that May Interfere with Advanced Metering

We filed additional <u>comments</u> to the Federal Communications Commission (FCC) opposing its decision to allow Progeny LMS to launch a new mobile phone and GPS device tracking system that could interfere with utility advanced metering systems. We're urging the FCC to require Progeny to do advanced testing for potential utility interference and give utilities a 30-day notice before starting operations.