

Notes to Co-op Nation

August 23, 2013

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

FROM: Jo Ann Emerson

Wonderful Visit with Georgia Co-ops

A big thank you goes out to NRECA Georgia Board Director Galen Mills and his wife Judy, and Georgia EMC CEO Paul Wood, for their outstanding hospitality at the statewide Directors Meeting. I enjoyed talking with the co-op leaders about issues their co-ops are facing. I highlighted the importance of co-ops contacting congressional leaders about our key issues while they're back home during recess.

New NRECA.coop Website Coming Soon!

I'm excited about our new NRECA.coop website that will be ready in just a few weeks. Our team has been hard at work to add informative new features, like the Cooperative Action Network page, with tools to help our members learn more about policies and to become advocates (photo attached). With the help of our members, we will build content on a website that tells the story about who we are and where we stand. And the new website at NRECA.coop will be user-friendly, enabling visitors to quickly get to the materials they need. I hope you'll be as pleased with the result as I have been.

NRECA Meets with White House on Revised GHG Rule Due Soon

We met with the Office of Management and Budget (OMB) to discuss the revised proposal to regulate greenhouse gas (GHG) emissions for new power plants that's expected to come out around September 20. Our meeting with OMB was a chance to get changes before the rule is released. We urged that the new rule keep coal and natural gas standards in separate categories and not lump the two together. We also want the proposal to focus on achieving emissions reductions through increased plant efficiency and not through carbon capture and storage technology that is costly and not commercially viable.

RUS Urged to Enhance Co-ops' Ability to Aid Economic Development

We're urging RUS to provide flexibility in the debt coverage and equity ratio calculation for electric co-ops involved in relending programs such as the Rural Economic Development Loans and Grants (REDLG) program. The calculation should be changed to avoid situations that could force some electric co-ops to raise rates or be restricted

from paying capital credits. REDLG works through co-ops to provide economic development loans to other organizations for community projects. Usually, those organizations provide some collateral that eliminates any co-op risk. However, the increased number and amount of economic development loans is being considered co-op debt by RUS – even though the third parties are repaying on time.

Regional Meetings Nearly Here; Sign Up Now

I look forward to spending time with you at the upcoming NRECA Regional Meetings that start in 10 days with Regions 1-4 and 5-6. These meetings focus on the resolutions process in which you develop the resolutions to be considered at the Annual Meeting. RUS Administrator John Padalino or a senior USDA official will provide a Rural Development Update. Forum topics include legislative and regulatory issues, boosting your co-ops' membership loyalty, and game-changing innovations and trends that can impact co-ops. See the agenda and register at Cooperative.com.

Break in the action: Notes to Co-op Nation will break from the routine next week. I will be back in touch with you on September 6 just before Congress reconvenes.

Attached: New NRECA.coop website photo.