

Notes to Co-op Nation

September 13, 2013

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

FROM: Jo Ann Emerson

Region 5-6 Regional Meeting Keeps it Strong and Proud

Thank you to Regions 5 and 6 for a tremendous regional meeting. Co-op representatives packed the house to discuss environmental policies, disaster response concerns, new technology challenges and other pressing issues. The Minnesota co-ops provided outstanding hospitality. We're off to a great start and rolling on to the Region 2-3 meeting at Birmingham, AL, in three weeks.

Senate Energy Efficiency Floor Debate Starts; We're Pushing for Water Heater Fix

Senate floor debate started on energy efficiency legislation (S. 1392) after Congress suddenly halted debate on Syria. We continue to work with congressional leaders for an amendment to fix problems with the Energy Department's unreasonable large electric water heater standards. The amendment could come up when S. 1392 debate continues next week. However, Senate Majority Leader Reid (D-NV) said action on the bill could pause when the Senate starts work on a FY14 appropriations continuing resolution that must pass this month. Additionally, other controversial issues could slow, delay, or even halt consideration of S. 1392.

House Aims to Finish Farm Bill Debate and Name Conferees

We may see House action on an outstanding farm bill issue next week, clearing the way for conference committee negotiations with the Senate. House Republican leaders delayed going to conference until the House voted on a stand-alone bill with the nutrition assistance title. This unusual effort is the best chance for work to start this month on resolving differences in the House and Senate bills.

Electric co-op priorities contained in the House or Senate bills include provisions on: RUS electric loan, energy efficiency and broadband programs; streamlining environmental review procedures; fixing a problem with pesticide applicator permit requirements; and a rural transportation study that includes railroads. We remain hopeful that the conference committee will get to work and develop a comprehensive five-year farm bill that includes our priorities. That being said, the House and Senate versions are very different, and a comprehensive bill remains an uphill climb.

House Releases Stopgap Funding Bill to Avoid Federal Shutdown; Debate Next Week

House Republicans released a draft FY14 continuing resolution (CR) to keep the federal government funded through December 15, 2013, and avoid a government shutdown. The bill (H.J. Res. 59) would maintain Rural Utilities Service (RUS) electric loan levels at \$6.5 billion and rejects the Administration's proposal to limit RUS lending. The Power Marketing Administration funding also remains level.

House Republican leaders delayed any votes until next week when it became unclear they could pass a CR without including language to defund the Affordable Care Act (ACA), which Senate Democrats won't accept. A Senate CR vote is also expected next week. Large differences in the House and Senate bills' spending levels and the ACA issue may push debate closer to the October 1 deadline. If the House can't finish a CR next week, Republican leaders are likely to cancel a planned recess the week of September 23.

House Committee Action on Water Infrastructure Bill Next Week

The House Transportation and Infrastructure Committee will mark up on September 19 a water programs reauthorization bill (H.R. 3080) that affects federal hydropower facilities. We're reviewing the bill and working to ensure electric co-ops continue to have access to low-cost power from federal hydropower projects. House committee staff told NRECA lobbyists the bill does not include a problematic provision in the Senate version (S. 601) that passed in May. That provision would allow the Army Corps of Engineers to reduce hydropower generation to serve new uses without congressional approval.