



## *Notes to Co-op Nation*

December 13, 2013

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

FROM: Jo Ann Emerson

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### ***NRECA Board Approves Strategies for 2014***

I'm awed by the NRECA Board of Directors' hard work and efforts of our staff this week. We had good discussions about our overall strategy for 2014. I'm very excited that the Board approved plans for a \$4 million Political Education and Advocacy Account to advance electric co-ops' political goals. I'm also pleased to announce that the Glenn L. English National Cooperative Leadership Foundation will award its very first \$10,000 college scholarship in 2014. Current college students who've participated in the Electric Cooperative Youth Tour are eligible and we'll send out details next year.

### ***'All-of-the-Above' Campaign Update – Action.coop Steams Ahead into 2014***

Keep ramping up your grassroots pressure on the Environmental Protection Agency (EPA) and its power plant carbon dioxide (CO<sub>2</sub>) regulations! We've lots more to do in 2014. As we urge EPA to withdraw its expected new power plant proposal, we're gearing up for EPA's release of a proposed existing plant CO<sub>2</sub> rule. While this rule may not come out until June 2014, EPA is already working on it. So it's critical that EPA hears our grassroots voice now. Keep urging your grassroots to visit Action.coop. Also, highlight TellePA.com to your partner organizations and the public as a way to join Co-op Nation's "All-of-the-Above" campaign. Use the Grassroots [Toolkit](#) talking points, graphics and other materials to help reach our goal of 1 million messages to EPA by the 2014 Annual Meeting. (Action.coop message counts attached.)

### ***Budget Deal Buys Time for Congress to Address Appropriations and Other Issues***

We welcome the Senate and House taking initial steps on a budget agreement that reduces the likelihood of another government shutdown and sets a framework for Congress to pass FY14 and FY15 appropriations legislation next year. The House passed it, 332-94, this week and the Senate is expected to take it up next week. However, there are many other fiscal issues for lawmakers to resolve next year. We'll keep working to get our co-op priorities addressed in the appropriations process when Congress resumes the fiscal debate.

### ***Farm Bill Negotiations Continuing into Next Year, Top Ag Leaders Continue to Negotiate***

We're disappointed a full five-year farm bill won't be enacted this year before Congress leaves for the holidays. The House passed a one-month extension of current law to provide political

cover for lawmakers back in their districts. Senate leaders will not bring the extension bill up for votes. Delayed action on the farm bill will not affect the RUS Electric Loan Program. Top House and Senate Agriculture leaders plan to meet next week to negotiate on issues and start crafting a conference report in hopes of starting floor debate early next year.

### ***Co-op Leader Emphasizes Need for a New Columbia River Treaty***

A big thank you to Rick Crinklaw, Lane Electric Cooperative's General Manager, for testifying on problems with the Columbia River Treaty at a House Natural Resources Committee field hearing in Washington State. Every Lane Electric member pays \$66 each year (a total \$900,000) in power payments to Canada under the treaty. Higher payments in 2014 will push the co-op's electric rates up another 5.4 percent. U.S. consumers pay up to \$350 million a year to Canada for half the power that Columbia River Basin dams generate. We're urging Congress to seek a new agreement that is fair and equitable to Pacific Northwest electricity consumers (see [ECT.coop](http://ECT.coop)).

### ***Co-op Urges Congress to Streamline Endangered Species Act Permit Reviews***

I'm pleased Carl Albrecht, Garkane Energy's CEO, was invited to testify regarding electric co-op views on the Endangered Species Act during a House Natural Resources Committee hearing. Introduced by Rep. Stewart (R-UT), Carl told the committee how the ESA permitting process forced Garkane to pay a one-day expense of \$150,000 for a helicopter to place seven poles in a transmission right-of-way located only a few yards from an access road. Given these impacts to co-ops, and the Fish and Wildlife Service's aggressive plans to review the status of over 170 species next year, we'll seek more opportunities for our members to educate policymakers and identify a more rational, affordable approach to species protection.

### ***Deadline Nears for Comments to FERC on Capacity Markets***

Electric co-ops and other stakeholders have until January 8, 2014, to comment on centralized capacity markets to the Federal Energy Regulatory Commission (FERC). NRECA joined other industry groups on a comment deadline extension request. The commission requested responses to several follow-up questions from a September technical conference on eastern markets (PJM, NYISO and ISO-NE). The questions focus on capacity markets' role in getting and keeping resources to meet future grid reliability and operational needs. FERC also wants comments on how to balance regulatory certainty with a possible need to revise the market rules in the future. We'll submit comments that we develop with feedback from our members.

### ***Co-ops Support States' Position in Supreme Court on Cross-State Emissions Rule***

We support the position of several states that urged the U.S. Supreme Court to uphold a 2012 federal court ruling blocking the EPA's Cross-State Air Pollution Rule (Cross-State). EPA is appealing the lower court finding that the Cross-State rule is a flawed approach to limiting power plant emissions that cross state lines and EPA overstepped its authority. Co-op generators in 28 states would be significantly impacted if the Supreme Court overturns the lower court and forces utilities to comply with the rule.

**Attached:** Action.coop message counts.