

CO-OP OWNERS for ACRE

Your Action Committee for Rural Electrification

October 2016



**CELEBRATING
50 YEARS
OF AMERICA'S ELECTRIC
COOPERATIVES TAKING
ACTION**

Did You Know? ACRE® is a member resolution!

We urge NRECA to continue to support the Action Committee for Rural Electrification (ACRE®) as a voluntary vehicle through which the interests of the rural electrification program can be promoted and as a means by which rural people, through thousands of small contributions, can support candidates for Congress who support rural electrification. We further encourage NRECA to urge all directors, eligible employees, and member-owners of rural electrics to participate as individuals in the ACRE program and in our political processes.

Electrify Africa Act (S. 2152)

- On February 8, 2016, President Barack Obama signed the Electrify Africa Act into law, encouraging public-private partnerships that will bring electricity to 50 million people in sub-Saharan Africa and help lift impoverished African communities out of subsistence living.
- This Bipartisan Bill will make it possible for 50 million people in Africa to have access to electricity by 2020.



Issues to Watch

October 2016



Clean Power Plan

Issue Summary

- Absent Congressional action, President Obama, through his Climate Action Plan, tasked EPA to implement regulations to reduce U.S. emissions of greenhouse gases. EPA is using provisions under Section 111 of the Clean Air Act (CAA) to regulate emissions of carbon dioxide (CO₂) and other greenhouse gases from power plants and other sources.
- In 2015, EPA established New Source Performance Standards (NSPS) for carbon emissions for new, modified and reconstructed, and existing fossil-fuel power plants.

Impact on Co-ops

Existing and new cooperative coal-fired generation facilities are significantly impacted by CAA regulation of GHGs. The CO₂ NSPS for new units under Section 111(b) of the Clean Air Act has made it nearly impossible to construct new coal-fired generation. Furthermore, more than any other rule currently on the books, the EPA's Clean Power Plan for Existing Sources under Section 111(d) will fundamentally alter the way that electricity is generated and the way that Americans use electricity. EPA's regulation will result in stranded assets and the premature closure of a number of coal-fired power plants owned by electric cooperatives.

NRECA Position

NRECA believes that the new coal unit standard is illegal because it is based in part on coal units being designed with carbon dioxide capture and sequestration technology, the use of which is unproven and is only potentially viable in the limited areas of the country where the geology allows for sequestration.

NRECA believes EPA has exceeded its authority under the Clean Air Act in the manner it has implemented 111(d) as the mechanism to regulate CO₂ from existing power plants. NRECA believes EPA's aggressive approach in interpreting both the statute and its own longstanding regulations makes the final rules illegal and unachievable for numerous legal and technical reasons. NRECA and a number of our members are joining states and other industry groups in challenging the rules in court. However, NRECA will work with EPA and state agencies to minimize the impact of the CPP GHG regulations in the event these regulations are upheld by the courts.



The Co-op Owner Report is published for and distributed exclusively to ACRE members. ACRE raises personal, voluntary contributions from NRECA's eligible membership. Federal law prohibits soliciting contributions from individuals other than NRECA and member-system's eligible employees, boards of directors, consumer-owners and the family of such individuals. Contributions from ineligible individuals will be returned. While your contributions to ACRE® are not tax deductible, they benefit rural electrification and consumer-owners by helping to ensure that candidates who support the goals and objectives of rural electrification are elected. Contributions to the National Rural Electric Cooperative Association's Action Committee for Rural Electrification (ACRE®) are strictly voluntary. You have the right to refuse to contribute without reprisal. Contributions may be stopped at any time upon notification to your cooperative. ACRE qualifies as a multi-candidate political action committee and is registered with the Federal Election Commission. A copy of our monthly report is available online at www.fec.gov.