

America's Electric Cooperatives

- 905 member-owned, non-profit electric utilities
- Serve 70% of landmass – some of the most challenging terrain
- 10% of all US kWh sales
- 58% of all kWh sales are *residential*
- 5% of all US kWh generated
- 7 customers per mile
- 2.5 million miles of electric distribution line covering 42% of US

NRECA's Small Business Concerns

- EPA did not convene a SBREFA panel
- So EPA will propose that the rule will not impact small entities?
- We hope this is true – most NRECA members are “small” by SBA criteria of 4 million MWh
 - 25 Generation & Transmission (G&T) Co-ops
 - 846 Distribution Co-ops
 - Only 5 distribution co-ops & 17 G&Ts are not small

Cooperative Economic Model

- Rural
- Private & not-for-profit (tax exempt), owned by the members they serve
- Obligated to provide reliable electric service
- G&Ts are owned by the Distribution Co-ops
- Costs to G&T's borne by Distribution Co-op members – mostly residential – through utility rates

***Low population density + mostly residential =
higher utility rates***

Co-ops Potentially Subject to Rule

- 38 G&T co-ops; 112 coal-fired units; >27,000 MW
- 25 G&Ts are SBA “small”
 - 9 own/operate 14 coal-fired units; 33 – 477 MW
 - 13 own shares in coal-fired units operated by others
- The G&Ts are owned by 531 small distribution coops

Potential Affected Co-op Members

- Mean household income below US average & below their states averages
- Poverty rate higher than national rate
- Over age 65 higher than US
- Over 25 w/o HS diploma/GED higher than US
- Live in energy *in*-efficient manufactured housing

Recommendation:

- EPA appropriately considered potential effects on small electric cooperative and the rural members they serve
- ELGs based on cost-effective technologies
- Coordinated with CCR rule
- Sufficient compliance schedules
- Sufficient comment period