

JUNE 2019
PUBLIC POLICY REPORT

FEDERAL UPDATE

EPA Releases Clean Power Plan Rule Replacement

The EPA released the Clean Power Plan replacement rule on June 19. The replacement, called the Affordable Clean Energy rule, will allow states to set their own goals on targets to reduce releases of carbon dioxide and other greenhouse gases. States can choose from a list of EPA-approved options to improve existing coal-fired power plants, a provision that critics say could make it easier for utilities to keep the facilities open instead of moving to cleaner energy sources and eliminating the use of fossil fuels. NRECA President Jim Matheson indicated nearly 60 percent of the electricity supplied by electric co-ops comes from low- or no-emission energy sources. Electric cooperatives have reduced emissions from their generation sources significantly since 2009 and are investing in research to develop proven carbon capture, storage and reuse technology that can extend the operation of fossil fuel power plants.

U.S. House Passed the SECURE Act

The House approved a sweeping retirement bill that would save electric cooperatives more than \$30 million a year in pension insurance premiums. The bill passed on a 417 – 3 vote. Senator Grassley has introduced similar legislation as the Retirement Enhancement and Savings Act (RESA).

Farm aid to soar with tariff payments

President Donald Trump’s move to spend \$16 billion on aid to farmers hurt by tariffs involved in the U.S.-China trade war will more than triple the usual amount of aid to agriculture. Last year, analysts predicted farm subsidies of \$6.1 billion a year.

STATE UPDATE

Iowa Supreme Court Sides with Dakota Access

A group of Iowa landowners who have been fighting the state’s use of eminent domain to make way for the Bakken pipeline has lost its appeal. The Iowa Supreme Court affirmed a district court ruling allowing the Iowa Utilities Board to use eminent domain to secure land for the crude oil pipeline owned by Dakota Access, a subsidiary of Dallas-based Energy Transfer Partners.

Officials Consider Energy Storage Tax Credit, Value of Storage Study

Iowa economic development officials are tentatively endorsing a tax credit for battery storage to complement the state’s wind and solar generation. The tax credit is one of several recommendations made in a recent report on energy storage opportunities by the Iowa Economic Development Authority. Others include targeting grant money and conducting additional research, including a “value of storage” analysis. Storage was highlighted in a 2016 state energy plan. State leaders think storage could offer a host of benefits, such as enhancing the productivity of wind and solar, reducing energy costs, enhancing grid reliability, and creating jobs.

Upcoming Activities

CFC Forum 2019 – New York, NY	July 1 – 3, 2019
NRECA INTERACT Conference – Austin, TX	July 8 – 10, 2019
IAEC Golf Tournament – Okoboji, IA	July 10, 2019
IAEC Managers & Board Presidents Summer Conference – Okoboji, IA	July 11-12, 2019
CoBank Energy Directors Conference – Ashville, NC	July 16-18, 2019
CIPCO Charity Golf Outing – Norwalk, IA	July 29, 2019
CIPCO Board Meeting – Des Moines, IA	July 30, 2019

Consumer Price Index

Month	Seasonally Adjusted Change from Previous Month
May 2019	0.1%
April 2019	0.3%
March 2019	0.4%
February 2019	0.2%
January 2019	0.0%
December 2018	-0.1%
Unadjusted Rolling 12 Month Average: 1.8%	