

Verendrye Electric Cooperative, Inc.



2018 ANNUAL MEMBERSHIP MEETING

PROPOSED RESOLUTIONS

Members of the Resolutions Committee:

Gerard Deibert, Chrm.

Karen Hennessy

Chelsea Kirkhammer

Warren Gorden

Laurie Dannewitz

Kevin Moore

CONTINUING RESOLUTIONS

1) RURAL ECONOMIC COMMUNITY DEVELOPMENT - Continuing

Keeping farm families on their land will benefit Verendrye Electric Cooperative and all of North Dakota. We support North Dakota's long tradition of keeping production agriculture in the hands of family farms. Therefore, we urge continued funding of those Rural Development programs, which will help the family farm. Priority should be placed on loan programs that will help family farms diversify by investing in ways to process and market their products. We continue to support other rural economic development activities including rural housing, energy development, energy efficiency and renewable energy programs. We encourage Congress to continue to fund the Rural Economic Development Loan and Grant Program (REDLG) and the Rural Cooperative Development Grant Program (RCDG) that are administered by the USDA. We oppose the current Administration's proposal to terminate these two programs.

We encourage the Administration and Congress to work to improve the business economy through rural renaissance zones and other applicable incentives to stimulate growth. Verendrye Electric Cooperative reaffirms our long-time support for reasonable economic development efforts for the City of Minot and the surrounding region.

We support efforts to expand value-added agriculture and other ag-related industries in the area.

2) SUPPORT FOR POWER MARKETING ADMINISTRATION RETENTION - Continuing

We strongly oppose changing from a cost base to a market base rate for hydro-generation. At market rates the costs for power would dramatically increase and the incentive to use this environmentally friendly power source would diminish.

We strongly oppose the sale of the power marketing administrations (PMAs), which include Western Area Power Administration's (WAPA) generation and transmission facilities, which supply Verendrye Electric Co-op reasonably priced power. We support the continued current management of the PMAs by their respective federal agencies, i.e. WAPA. We oppose the Department of Energy's efforts to force PMAs toward non-hydro renewable energy development that will increase costs for non-profit preference customers like Verendrye Electric.

3) NORTH DAKOTA TERRITORIAL LAW – Continuing

We are strongly opposed to either weakening or repealing the ND Territorial Law of 1965. We urge continued vigilance in this area of potentially recurring legislation.

4) ENERGY CONSERVATION AND ALTERNATE ENERGY SOURCES – Continuing

We call on Congress and the Administration to rapidly develop a sound energy conservation policy, together with adequate funding of research and development of renewable energy resources such as solar, wind, ethanol, bio-diesel, geothermal and new coal technologies. We support the development of new transmission facilities that would promote the export of North Dakota's abundant wind energy. Verendrye urges members to be cautious about entering into long term wind leases and should consult an attorney before signing any legal document.

We support all reasonable measures to promote the ethanol and bio-diesel industries especially those that are located in North Dakota.

5) **RURAL UTILITIES SERVICES LOAN SUPPORT – Continuing**

We believe that there is continued need for a distribution and transmission loan program for those Rural Utilities Services (RUS) Program systems serving areas with low consumer density per mile of line. We strongly encourage Congress to fully fund the insured RUS loan program and the guaranteed loan program. This financing is crucial to the rural way of life.

CURRENT RESOLUTIONS

1) **E.P.A. REGULATORY CONCERNS - Current**

Verendrye Electric Cooperative believes that climate change concerns should be addressed by the U.S. Congress through legislation, rather than by the Environmental Protection Agency (EPA) through administrative rulemaking. The Clean Air Act of 1970 was never intended to address greenhouse gasses or climate change and EPA should not have jurisdiction to limit greenhouse gas emissions under the Clean Air Act. We oppose the EPA rule requiring new coal-fired power plants to meet strict carbon emissions standards that are currently not feasible with current technology. We also oppose EPA's Clean Power Plan attacking existing coal-fired power plants because coal is a critical part of cooperatives' energy portfolio and restricting its use will cause wholesale electricity costs to increase substantially. We support the current Administration's efforts to revisit the Clean Power Plan to rewrite the rules so they are achievable and will allow cooperatives to use their existing coal-fired power plants for their remaining useful life. We encourage all government officials to visit our coal-fired power plants, which are some of the cleanest in the world.

2) **LOW INCOME HOME ENERGY ASSISTANCE - Current**

We urge Congress to continue authorization for the Low Income Home Energy Assistance Program (LIHEAP) under the U.S. Department of Health and Human Services, and recommend it be fully funded.

3) **SUPPORT FOR GROUND BASED STRATEGIC DETERRENT (GBSD) INITIATIVE - Current**

The Minot Air Force Base plays a crucial role protecting U.S. citizens and helping keep peace in the world with its nuclear deterrent that consists of 150 Minuteman III missiles and a fleet of B-52 Bombers. The base is an economic engine for our region, providing more than \$500 million in economic impacts to the area. Verendrye Electric Cooperative serves the base and 40 of its 150 missile sites, while four other electric cooperative serve the remaining missile sites.

The military has begun making plans for replacing the aging missiles under the Ground Based Strategic Deterrent (GBSD) plan. The missiles and associated infrastructure are decades old. Verendrye Electric supports GBSD and encourages the Administration and Congress to fund the program to include upgrading the missiles and associated infrastructure controlled by the Minot Air Force Base. We urge the Administration and Congress to include electrical infrastructure as part of the infrastructure to be improved under the GBSD plan.