

2016 EEI CORPORATE GOALS

GRID SECURITY & BUSINESS CONTINUITY ISSUES

- Continue to reinforce industry efforts to strengthen cyber and physical security defenses and to enhance grid resiliency by:
 - Establishing an industry-wide cyber mutual assistance program in coordination with federal agency partners.
 - Enhancing the transformer transportation emergency support guide to include movement of equipment beyond transformers.
 - Implementing all E-ISAC Member Executive Committee recommendations to improve the performance of, and participation in, the E-ISAC.
 - Conducting exercises with the government and other interdependent critical sectors to enhance defensive strategies and coordination of response and recovery.
 - Continuing to roll out proprietary tools and technologies, such as CRISP, through the ESCC.
- Ensure federal grid security legislation preserves the existing regulatory structure and facilitates industry-government coordination.
- Represent EEI members as a part of a DOE working group that will identify and share best practices for addressing cybersecurity threats to the supply chain. Continue to lead the industry's engagement with FERC to achieve positive outcomes through the Commission's supply chain cybersecurity standards rulemaking process and scheduled technical conference.
- Achieve widespread adoption of the National Response Event (NRE) "RAMP-UP" software tool, and conduct two NRE exercises.
- Obtain satisfactory implementation of the electricity-related provisions in the "Fixing America's Surface Transportation Act" at DOE, FERC, and DOT.
- Enhance FERC-NERC cooperation in order to avoid FERC collection of sensitive critical energy information.
- Obtain FCC approval of an emergency notification exemption from the Telephone Consumer Protection Act.
- Advocate for policies that enable utility use of unmanned aircraft systems (UAS), and represent the industry in NASA's UAS traffic management project, which will establish the air traffic infrastructure to enable and safely manage the widespread use of low-altitude airspace and UAS operations.

GRID MODERNIZATION & ENERGY DELIVERY ISSUES

- Promote the value of the grid, and advocate for improved rate policies in which utilities have primacy in planning, building, and operating the grid as a platform to integrate emerging technologies.
- Educate state policymakers, customers, vendors, and consumer advocates on the need for policies that promote investment in new grid technologies, along with customer support for continued cost recovery. Work collaboratively with these stakeholders to address key technical and reliability issues.
- Encourage expanded utility partnerships with government partners and leading technology companies to accelerate the adoption of a 21st-century grid.
- Achieve favorable industry-supported outcomes in regulatory initiatives that address integration of distribution resources, including issues of FERC jurisdiction, maintenance of reliability, and cost assignment. Also achieve industry-supported outcomes in the Commission's data rulemaking.

CLEAN ENERGY & FUEL DIVERSITY ISSUES

Distributed Resources

- Expand and enhance support for regulatory and legislative education and engagement related to distributed generation (DG) and investments in the distribution grid. Continue to assist member-companies with their specific engagement strategies in regulatory and legislative forums.
- Advocate for adoption of DG policies that are transparent, avoid cost shifting, recognize the value of the grid, and address fixed-cost recovery, including rate alternatives that improve net metering policies.
- Encourage policymakers and other stakeholders to adopt policies that enable utilities to participate in the DG, battery, and renewables marketplace.

Renewable Energy and Energy Storage

- Identify and advocate for new or redefined pricing and ancillary services policies at the wholesale and distribution levels associated with the increase in intermittent renewable resources and the use of storage. Lead in the establishment of appropriate jurisdictional boundaries for federal and state regulation.
- Manage the stakeholder process to improve interconnection policies for both utility-scale and distributed renewables to facilitate reliable, efficient, and cost-effective interconnection of these resources in an equitable way. Advocate at FERC and in the states for these changes.
- Engage in emerging state- and RTO-level resource aggregation discussions to promote robust industry participation in these markets.
- Advocate that utilities have a leading role in the implementation and ownership of cost-effective energy storage at the distribution and bulk power levels.
- Recognizing that storage will be useful at the generation, transmission, distribution, and end-user levels, define and advocate for appropriate regulations and pricing policies for storage. Lead in the establishment of appropriate jurisdictional boundaries for federal and state regulation.

Wholesale Markets and Energy Supply Issues

- Achieve wholesale energy market price formation improvements at FERC and within the RTOs to sustain needed generation, incentivize investments, and reflect the increasing value of reliability-related services.
- Identify and advocate for solutions that remove barriers to infrastructure investment, including natural gas pipelines needed for electric generation.
- Promote further reforms of PURPA implementation to eliminate gaming, expand participation in competitive markets to facilities smaller than 20 megawatts, and achieve avoided-cost determinations reflecting current pricing.
- Promote consensus approaches to address wholesale demand response activities.
- Ensure that electric utility and generation interests are considered by and reflected in anticipated electric/natural gas-related rulemakings.

CUSTOMER-FOCUSED SOLUTIONS

- Advocate for improved regulatory policies that provide utilities more flexibility to offer customers programs, products, and services on both sides of the meter, including energy efficiency, demand response, and distributed generation.
- Promote broader end-use utilization of electricity, including electrification in various sectors to enhance customer options.
- Expand the NARUC/NASUCA/EEI Critical Consumer Issues Forum collaborative to include National Key Account customers, technology partners, and other stakeholders to highlight innovative customer solutions and options that regulators may consider.

- Advocate for adequate funding of the Low Income Home Energy Assistance Program.
- Advocate for policies that provide utility access to spectrum and that protect the interests of customers regarding pole attachments.
- Seek promulgation of rules at the Surface Transportation Board that strike a fair balance between shippers and railroads.

ENVIRONMENTAL POLICY AND FLEET TRANSITION ISSUES

- Promote cost-effective Clean Power Plan implementation options by supporting member company efforts to work with the states to develop workable compliance plans and by advocating for a federal plan and model trading rules that preserve flexibility to address state-specific concerns while creating broad, liquid trading markets that promote least-cost compliance. Monitor legal developments regarding the status of the final CPP regulations.
- Assist member companies in permit proceedings to achieve cost-effective and flexible implementation of the final Section 316(b) cooling water intake structures rule, the steam electric effluent guidelines, and the Waters of the U.S. (WOTUS) rule. Support industry litigation.
- Support legislation designed to improve the WOTUS rule, NPDES permitting issues, and ongoing Clean Water Act issues.
- Advocate for a fair and reasonable revision to the Army Corps of Engineers' nationwide permit plan revisions affecting electric utility operations.
- Advocate for appropriate Clean Air Act interstate transport rulemakings being developed as part of the implementation process for the 2008 and 2015 ozone national ambient air quality standards (NAAQS).
- Promote development of sound federal policies to implement the 2015 ozone, 2012 fine particle, and 2010 sulfur dioxide NAAQS, as well as guidance for the second regional haze planning period and improved practices and tools for air quality modeling. Assist member companies with state and regional compliance with these and other air rules, including MATS.
- Support member company compliance with non-hazardous waste regulations for coal combustion residuals (CCRs), and advocate for CCR mine placement regulations that allow for the continued beneficial use of coal ash in mine reclamation activities.
- Advocate for revisions to PCB use authorizations that allow for the continued use of PCB-containing electrical equipment, including requirements for phase-down consistent with ongoing company reduction initiatives.
- Advocate for reauthorization of the Toxic Substances Control Act (TSCA) to retain the preemptive effect of TSCA on the federal PCB program.
- Advocate that the U.S. Fish and Wildlife Service develop a sensible, cost-effective incidental take authorization for electric infrastructure under the Migratory Bird Treaty Act and the Bald and Golden Eagle Protection Act.
- Ensure the Administration's proposed Integrated, Interagency Pre-Application process and related infrastructure initiatives result in meaningful improvements in transmission line siting and permitting by federal agencies.
- Through regulations and legislation, advocate for implementation of the Endangered Species Act in a way that is less burdensome and more responsive to the siting and permitting of electric generation and transmission facilities.
- Ensure the policies and rules implementing the Presidential Memorandum on Natural Resources Mitigation do not impede the siting, permitting, and operation of electric infrastructure.

TAX POLICY AND FINANCIAL ISSUES

- Advocate for industry priorities in comprehensive tax reform, including deductibility of interest expense; treatment of normalization and excess deferred taxes; the phase-out of all generation-specific tax subsidies; and corporate and dividend tax rates.

- Continue to preserve and strengthen end-user protections as the Commodity Futures Trading Commission implements the Dodd-Frank financial reform law. Oppose banking rules that would prohibit or disincentivize banking entities from engaging in long-term energy industry transactions.
- Advocate for beneficial provisions in any reauthorization of the Commodity Exchange Act, including potential fixes to the *de minimis* threshold and definitions of financial entity, inter-affiliate transactions, bona-fide hedging, and swap.
- Work with stakeholders and the financial community to evolve renewable industry financing and capital-raising away from a project-based, tax-equity-dependent model that relies upon tax subsidies to a more sustainable model.

STRATEGIC EDUCATION & OUTREACH INITIATIVES

- Launch a broad, national effort to educate key audiences on the industry's transformative leadership and to create a heightened awareness of and appreciation for EEI member company initiatives. Tell the story of how the industry is creating the energy future customers want and expect, using a unified message architecture, simplified common language, and tools and collaterals to expand audience knowledge.
- Inform the regulatory community, state policymakers, customers, and consumer advocates about emerging issues and their financial and customer implications, and work to develop consensus on key regulatory issues, through successful collaboratives and dialogues. Expand outreach and education opportunities to regional and state forums, minority and community organizations, regulatory staffs, and academic institutions.
- Convene high-level forums, both domestic and international, through EEI's International Program that address key industry issues and create opportunities to position EEI as the leading industry advocate and thought leader on electricity policies and regulation, strategic business information, and key technology and market trends.
- Through the Center for Energy Workforce Development (CEWD) and other outreach, continue to build awareness of the need for a diverse and skilled energy workforce. Provide support to CEWD members to implement energy career pathways that focus on youth, veterans, women, and transitioning adults.
- Continue to grow and effectively utilize We Stand For Energy, and encourage the We Stand For Energy community of energy advocates to engage in a broad range of topics at the federal and state levels.
- Continue to create opportunities to educate Members of Congress and political candidates on the important issues facing the industry through EEI's political action committee, the PowerPAC. Develop and execute a 2016 National Political Party Convention Program and promote voter education to industry employees.