

December 24, 2018

Submitted via *regulations.gov* and Email

Michele Brooks

Attn: Docket No. RUS-18-AGENCY-0005

Rural Development Innovation Center

Regulations Team Lead

US Department of Agriculture

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Re: Request for Comments on Rural Development Environmental Regulations for Rural Infrastructure Projects; 83 *Fed. Reg.* 59318 (November 23, 2018)

To Michele Brooks:

The National Rural Electric Cooperative Association (NRECA) submits this letter of support in response to the US Department of Agriculture (USDA) Rural Development (RD) proposal to update its Environmental Policies and Procedures regulation at 7 CFR 1970 to benefit rural infrastructure projects, 83 *Fed. Reg.* 59318 (November 23, 2018). If issued, the final direct rule would speed the initiation of electric cooperative infrastructure projects and encourage planned community economic development without additional cost to co-op member-consumers or other taxpayers.

NRECA is the national service organization for America's electric cooperatives. NRECA represents the interests of the nation's more than 900 rural electric utilities responsible for keeping the lights on for more than 42 million people across 47 states. Electric cooperatives are member-owned, not-for-profit small businesses serving member-consumers facing significant economic challenges, especially in rural areas. They are driven by their purpose to power communities and empower their members to improve their quality of life. Affordable electricity is the lifeblood of the American economy, and for 75 years electric co-ops have been proud to keep the lights on. Given their critical role in providing affordable, reliable, and universally accessible electric service, electric cooperatives are vital to the economic health of the communities they serve.

Electric co-ops have legal public service obligations to provide reliable electric service to their member-consumers. To do so, they construct, own, operate, and maintain generation facilities, transmission and distribution lines, substations, and other electric infrastructure. For some projects to proceed, it is vital to receive assurance that RD funds will be available to complete the project to ensure community health, safety, or economic development. This is particularly the case for those electric co-op projects that may have multiple funding sources or more complex environmental review processes, for example. Allowing RD Administrators limited flexibility to obligate federal funds for infrastructure projects prior to the completion

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of the National Environmental Policy Act (NEPA) environmental review will improve the efficiency and effectiveness of the project approval process. In addition, electric co-ops will have some comfort in proceeding with project planning without fear that RD funds may be rescinded before the NEPA environmental process is completed. NRECA and its members respectfully ask RD to provide guidance on what criteria a project must meet to qualify for this flexibility. In addition, we seek clarification on what the process may entail to demonstrate that the conditions of obligation are met.

NRECA appreciates the opportunity to provide these comments, as well as the Administration and RD's efforts to improve the quality of life in rural America. We look forward to continuing to work with you as you finalize this rulemaking.

Sincerely,



Janelle Lemen
Regulatory Director, Environmental Policy
National Rural Electric Cooperative Association

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