

A regular update for leaders, members and friends of
the VA-MD-DE Association of Electric Cooperatives

from Richard G. Johnstone, Jr. | President & CEO



GENERAL ASSEMBLY **RECAP**



What a Difference a Year Makes!

Elections have consequences. In Virginia, those consequences became manifest in a **General Assembly with both chambers under Democratic control**. For the first time in nearly 30 years, Democrats control the Executive Branch and both legislative chambers.

In the **Senate**, things were more-or-less business as usual, with **Senator Dick Saslaw** again regaining the posts of **Majority Leader** and **Chairman of the Commerce and Labor Committee**, two key, powerful posts he previously held when the Democrats were last in the majority from 2008-2012.

The daunting task facing the **House of Delegates**, on the other hand, was tantamount to **organizing a new government**. Out of 100 members, only two Democrats, **Delegates Ken Plum** and **Vivian Watts**, had ever served in the majority. Conversely, only three Republicans, **Delegates Bobby Orrock**, **Kirk Cox**, and **Terry Kilgore**, had ever served in the minority. So, 95% of the chamber had to undergo a **learning curve**.

Nonetheless, the House was quickly organized, with **Eileen Filler-Corn** defeating insurgent challenger, **Delegate Lashrecse Aird**, to become the **first female Speaker of the Virginia House of Delegates**, also becoming the first Jewish Speaker. There were small changes to committees, including changing the name of Commerce and Labor to **Labor and Commerce**, and changing Science and Technology to **Communications, Technology and Innovation**.

Coming into the **2020 General Assembly Session**, your VMDAEC Governmental Affairs Department had **two overarching objectives**: **pass easement reform legislation** and **protect and defend cooperative positions**.

In successfully advancing easement reform legislation, we were fortunate to have as our patrons both **Delegate Jennifer**

Carroll Foy and **Senator Lynwood Lewis**. We also helped form a coalition of supporters that included the **Virginia Cable Telecommunications Association**, **Virginia Farm Bureau**, **Virginia Agribusiness Council**, **The Sierra Club** and **Americans for Prosperity**. Our coalition was able to successfully overcome opposition from the **Virginia Municipal League**, **Virginia Association of Counties** and **The Family Foundation**.

Final votes were strongly in our favor in both chambers: **91-6 (House)** and **35-3-1 (Senate)**. Once the Governor signs the legislation, we will be **hosting information sessions** on how to implement this legislation.

Our **second objective** was to **educate new lawmakers** and **protect and defend the solar policy reforms** that we successfully advanced in the 2019 session. As you may recall, the reforms **raised the net metering caps in cooperative service territories to 5%**, **eliminated standby charges**, **made permanent the cooperative community solar pilot projects**, and **recognized third-party PPAs**.

Many bills were filed during the 2020 session dealing with these policy issues and others. Working with the coalition that we assembled last year to craft our original compromise – including the **Southern Environmental Law Center** and the **Maryland, Delaware, DC, and Virginia Solar Energy Industry Association (MDV-SEIA)**, we were able to ensure that co-ops were carved out of legislation mandating energy-efficiency standards, renewable portfolio standards, retail shopping for large customers, as well as additional requirements for **shared/ community solar programs** and **enhanced net metering policies**.

We were also able to ensure that cooperatives will not bear **increased transmission costs** for Dominion's offshore wind project. Those costs are expected to be a significant part of the project's **\$8 billion price tag**. These alliances also enabled

us to protect NOVEC’s biomass plant by preserving biomass in the definition of clean energy and delaying the impact of the Regional Greenhouse Gas Initiative (commonly called RGGI) on this facility.

Other energy legislation that was introduced but defeated this year, but which we expect to return in future sessions, includes the Green New Deal and the Energy Reform Act. The Green New Deal would outlaw the retail sale of electricity generated from fossil fuels, as well as the maintenance of fossil fuel facilities – which, arguably, could include railroads, pipelines, export terminals and gas stations. Although this passed out of committee, it was referred to and died in the House Appropriations Committee.

The Energy Reform Act, patroned by Delegates Lee Ware and Mark Keam, would have mandated that distribution cooperatives divest of their ownership in ODEC, as entities must choose to be a generator/retailer of electricity, a transmission entity or a distribution entity – but only one of these.

Additionally, several key bills passed that affect businesses, including an increase in the minimum wage, which will increase to \$9.50 in 2021, and step up to \$12 in 2023. Also important is what did not pass. Efforts to repeal Virginia’s Right to Work laws were unsuccessful, as were mandates for paid family leave, and an effort to allow class-action lawsuits in Virginia.

Your Governmental Affairs team will be working with our Members to enhance our legislative and executive branch outreach throughout 2020, as well as expanding outreach with relevant industry groups.

To quote General James Mattis, “We seek a strategic stance that includes the interests of as many nations as we can make common cause with, and in doing so, we can better deal with this imperfect world we occupy. Absent this, we will occupy an increasingly lonely position, one that puts us at increasing risk in the world.” Replacing “nations” with “groups” and “world” with “General Assembly,” it’s a highly appropriate guiding maxim for this new Virginia in which we find ourselves.

–Report by Andrew Vehorn, VMD Association VP of Governmental Affairs.

NRECA ANNUAL MEETING



Rappahannock Electric Cooperative directors Linda Gray (second from left) and Darlene Carpenter join (from left) ODEC VP of Member Engagement Kirk Johnson, ODEC President & CEO Marcus Harris, and Community Electric Cooperative President & CEO Steve Harmon for a group photo at the NRECA Annual Meeting and TechAdvantage Expo in New Orleans.



Youth Leadership Council delegates from the 2019 Electric Cooperative Youth Tour pose with some colorful local performers at the NRECA Annual Meeting.

–Photos by Eugene Campbell, REC Board Member.