



# ELECTRIC CITIES

## Connected

### ECA Sets Washington, DC Legislative Rally Date

Electric Cities of Alabama’s (ECA) Washington, DC Legislative Rally is just around the bend. The Legislative Rally will be held March 20-22, 2012, at the Mayflower Hotel in Washington, DC. Please note the Legislative Rally will not be held in conjunction with the American Public Power Association’s (APPA) Legislative Rally. APPA’s Legislative Rally will be held March 12-14, and those wanting to attend will need to register directly with APPA.

As in years past, ECA will kick off its Legislative Rally with a Legislative Briefing Tuesday at 4:00 P.M. at

the Mayflower Hotel and will have meetings with Alabama’s Congressional Delegation on Capitol Hill Wednesday and Thursday. ECA will once again host an annual legislative dinner Thursday evening, which will include members of Congress and their staff.

It is extremely important ECA member utilities attend the 2012 Legislative Rally. ECA had very successful meetings on Capitol Hill at the 2011 meeting and expects the visits in 2012 to be equally effective. Issues addressed included EPA Green House Gas Emissions and the Clean Air Act, Water Wars

and Federal Regulations by FERC and the FCC. The Legislative Rally would not have been possible without the strong presence of ECA utility members.

Don’t miss out on this wonderful opportunity to meet with Alabama’s Congressional Delegation! Reserve your room today by calling The Mayflower Hotel at (800) 228-9290 or (202) 347-3000 and receiving the special room rate of \$289 per night. The Cut-off date is February 14, 2012. Limited rooms are available at this discounted rate.

#### IN THIS ISSUE

ECA Sets Washington, DC Legislative Rally Date.....1

GOP Leaders Hubbard, Marsh Outline Jobs Bills for 2012.....2

ECA Heads Back to Ross Bridge for E&O Conference.....3

ECA Trivia Grid.....3

Deficit Deal Impasse Threatens Key Initiatives....4-5

Calendar of Events.....6



ECA Members with Congressman Martha Roby during ECA’s 2011 Legislative Rally

# GOP Leaders Hubbard, Marsh Outline Jobs Bills for 2012



Source: *The Associated Press*  
Written by: *Phillip Rawls*  
Picture: *Submitted to AP*  
November 16, 2011

MONTGOMERY— The Republican caucuses of the House and Senate have endorsed a package of bills designed to lower the state's nearly 10 percent unemployment rate by addressing everything from tax incentives offered to new industries to the hiring veterans returning from Afghanistan and Iraq.

“Our No. 1 priority is boosting private sector job growth in Alabama,” House Speaker Mike Hubbard of Auburn said at a news conference.

Hubbard and Senate President Pro Tem Del Marsh of Anniston said both caucuses have unanimously endorsed an eight-bill package that they expect to pass in the session that starts Feb. 7. Republicans have a super majority in both houses.

Marsh and Hubbard said the package includes bills to:

- ◆ Give the governor and his top industry recruiter, the Alabama Development Office director, the flexibility to modify tax incentives when negotiating for new industries. They said changes now must be approved by the Legislature,

but the governor needs to make changes quickly when Alabama is competing with other states. The proposal is a constitutional amendment needing the approval of both the Legislature and voters in a statewide referendum.

- ◆ Re-enact legislation passed in June that provided foreign businesses locating in the state temporary tax incentives to offset tariffs from the construction phase of their plants. Members of the Alabama Education Association have filed a lawsuit contending the tax break is unconstitutional because the bill started in the Senate rather than House. The GOP leaders said the bill, which has bipartisan support, will be passed again with it starting in the House

- ◆ Expand the tax incentives for new industries to encourage the recruitment of data processing centers.

- ◆ Give businesses a tax credit of \$1,000 to \$2,000 for hiring a recently returned veteran. A separate measure would offer veterans a \$1,500 tax credit for starting their own businesses. GOP leaders said the proposals are based on anticipated influx of veterans with the wars in Afghanistan and Iraq winding down. “They served their country and they deserve a job when they get back,” Hubbard said.

- ◆ Give businesses a bigger voice in determining the technical training programs offered by the state's community colleges so that they produces enough graduates to fill fields with shortages, such as welding. “We're hearing from industry

that the right skill sets aren't coming out,” Marsh said.

- ◆ Require state agencies to prepare an economic impact analysis before adopting a regulation that could have an adverse effect on small businesses. Agencies would also have to look at whether there are alternatives that would accomplish the same purpose while minimizing the impact on businesses.

- ◆ Create a Small Business Financing Authority to provide loans to small shops and provide it with up to \$5 million over time. They said the current banking problems have made it difficult for small businesses to get loans, and the state needs to step in to encourage job growth.

- ◆ Create a task force to study the issue of streamlining and simplifying the administration and payment of sales, uses and lease taxes. They said the goal is to reduce red tape and administrative costs for businesses.

House Minority Leader Craig Ford, D-Gadsden, said Republicans are trying to mask the fact that Alabama's unemployment rate has risen from 9 percent in November 2010, when the GOP took control of the Legislature from Democrats, to 9.8 percent now.

“I see a lot of government spending in their plan, what I don't see are real solutions. Instead of throwing money at big corporations, we should close the corporate loopholes which allow companies to take advantage of our tax laws,” he said.

# ECA Heads Back to Ross Bridge for 2012 E&O Conference



Due to such positive feedback from the 2011 Engineering & Operations Conference, ECA has decided to return to Renaissance Ross Bridge for the 2012 E&O Conference. Mark your calendars early and join us October 22-24, 2012, as we head back to Renais-

sance Ross Bridge, Hoover, AL for the E&O Conference. Please note the conference will be held on a Monday-Wednesday as opposed to the Wednesday-Friday dates from years past. The conference will once again offer a variety of educational programs and networking opportunities among member utilities, co-ops and vendors.

Conference attendees will also have the opportunity to participate in ECA's annual golf tournament at Alabama's world-renowned Robert Trent Jones golf course located on-site at Ross Bridge. In addition to the golf tournament, the 2nd Annual sporting clay outing at

Selwood Farm will return to the agenda. While the conference will be located at the same location, we will include a number of changes to the conference agenda which we are confident you will enjoy.



## ECA Trivia Grid

In 1988, Nikola Tesla is credited with developing a new method to distribute electricity that competed with Edison's direct current. What was the term used, that is still in use today, for this?

Be the first to e-mail the correct answer to Andrea Salvador at [asalvador@electriccities.org](mailto:asalvador@electriccities.org) and win a \$25.00 gift card. Good Luck!

*Last month's winner was Ronnie Boles of Huntsville. Ronnie answered that **normally closed** contacts are not open at a state of rest. Congratulations Ronnie!*

Tired of forwarding the *Electric Cities Connected* newsletter to your fellow electric utility colleagues? Submit their e-mail to [asalvador@electriccities.org](mailto:asalvador@electriccities.org) to get their e-mail on the newsletter distribution list today!

# Deficit Deal Impasse Threatens Key Initiatives



By Meredith Shiner and John Stanton, Picture: Tom Williams  
Roll Call Staff  
Nov. 21, 2011

As both parties prepare to blame each other for the super committee's likely failure, House and Senate leaders face the stark reality that they now have to take swift action to rescue key programs they were expecting the panel to extend.

Unemployment benefits, tax extenders, the payroll tax holiday and the Medicare "doc fix" — which prevents doctors' payments from being slashed — are all expiring measures that leaders hoped the super committee would be able to bundle into a final deal, fast-tracking them to long-term renewal. Short of a super committee agreement, which appeared out of reach after a weekend of little to no negotiations, leadership will have to move these pieces on their own, in addition to a spending bill to avert a government shutdown Dec. 16.

"We don't have the answers," Senate Majority Whip Dick Durbin (D-Ill.) said late last week when

asked how Congress would deal with the expiring initiatives. "The super committee was put in place to avoid that so we would have at least a strategy to take us through the election, and if they don't succeed, we have to address these issues. And the notion of imposing a new payroll tax on people after Jan. 1, in the midst of this recession, on working families, is totally counterproductive."

Given the deep cynicism shrouding the super committee's work for weeks, sources close to leadership said that the panel's failure to reach a \$1.2 trillion agreement by Wednesday was an outcome they accounted for in end-of-year plans. Although the House's target adjournment date is Dec. 8, the Senate is booked through Christmas Eve, and both chambers likely will need more than just two workweeks to clear the legislative docket. Senate leadership aides indicated that there likely would be an early December stand-alone vote on extending the payroll tax cut, a piece of President Barack Obama's jobs plan, but many of the other programs likely will need to be lumped together in some sort of end-of-the-year bill, whether through the continuing resolution or some other spending measure.

It's not clear what that legislative vehicle might be. Congress had moved toward a minibuss strategy of approving clusters of appropriations bills for various agencies in lieu of passing another short-term government-wide spending exten-

sion. The House and Senate cleared the first minibuss, but the second — including financial services and State and foreign operations spending — was blocked last week on the Senate floor. Leaders had been holding off on a longer-term stopgap spending bill until work on the smaller appropriations bills concluded, but now all funding bills are losing support from Republicans loath to support more government spending.

Still, most sources expect that as the Christmas holiday creeps nearer, Congress will find a way to get at least some of these issues resolved.

"We've always known these things would have to get done before the end of the year, and we won't have an issue doing our work," a House GOP aide said Sunday.

But aides also were uncertain whether the House would entertain every item that Democrats and Republicans had expected would be included in the super committee deal. In a pen and pad with reporters last week, House Majority Leader Eric Cantor (R-Va.) did not want to delve into details of the panel's discussions but noted that regardless of the outcome, he believed Congress would address the doc fix. But sources said an extension to unemployment insurance could prove to be difficult because of opposition from many conservatives. If it is considered, there could be a protracted battle over whether the additional benefits need to be

*Continued on pg. 5*

## Deficit Deal Impasse Threatens Key Initiatives (Cont.)

paid for,” Sen. Rand Paul (R-Ky.) said on CNN’s “State of the Union” on Sunday. “We have an unemployment program. We have a tax for it. And it’s paid for, for 26 weeks. So the question is, do we want to borrow money from China to pay people not to work?”

Although the super committee’s obituary was all but inked over the weekend, many of the panel’s members took to the television airwaves to try to make their final cases for why their party was on the right side of the debate and expressed last-ditch, cautious optimism that the group could scrounge together some sort of agreement in its final hours.

Work over the weekend was almost negligible. Super committee members of both parties held conference calls Saturday, but only Sens. Jon Kyl (R-Ariz.), Rob Portman (R-Ohio) and John Kerry (D-Mass.) came into the Capitol.

Late last week, Speaker John Boehner (R-Ohio) offered an informal \$643 billion fallback plan to Senate Majority Leader Harry Reid (D-Nev.). The idea was to find a smaller deal to minimize the pain of the \$1.2 trillion in automatic, across-the-board cuts that would go into effect in January 2013 if the group comes to no agreement at all. Of the \$643 billion, \$316 billion would have been discretionary cuts, including \$100 billion from defense. The package also included \$98 billion in interest savings and \$229 billion in revenues and fees.

Of that revenue figure, only \$3 billion would be from tax-related changes, with Republicans offering to eliminate the corporate jet tax — a favorite provision for Democrats to highlight as an example about unfair tax breaks to America’s wealthiest.

According to sources familiar with negotiations, Democrats would not accept the \$643 billion package unless it also included about \$150 billion to \$200 billion in tax-based revenue, which was a non-starter for the GOP. The point of the more modest package, Republican aides said, was that neither party’s sacred cows, taxes for the GOP and entitlements for Democrats, would be significantly affected. There were a few other revenue ideas on the table, including a gas tax break, but Republicans said they could not move as far as Democrats wanted.

Co-Chairman Rep. Jeb Hensarling was especially downtrodden in reviewing the committee’s work and the effect its failure could have on the economy.

“I would hope there wouldn’t be again an adverse impact in the sense that the American people are still going to get the deficit reduction that was contemplated under the law. But it is a huge blown opportunity,” the Texas Republican said on “Fox News Sunday,” referring to the panel as if it were already dead. “It wasn’t so much of a failure as it was a failure to seize an opportunity. And if it’s not this

opportunity, this nation better seize another one or we will be in economic trouble.”

The co-chairmen will have to announce a public hearing by Monday if they are to take even symbolic votes on a plan, or even competing proposals, by the panel’s Wednesday deadline. Monday also would be the last day the panel could receive a score from the Congressional Budget Office to enable those final votes.

If the committee fails, Congress still has more than a year to find an alternative to broad, automatic cuts.

“If the super committee can’t do it, then I hope that Congress will,” Co-Chairman Sen. Patty Murray (D-Wash.) said on CNN on Sunday. “We have to keep working on it, and I’m going to keep working on it.”

---

*By Meredith Shiner and John Stanton  
Roll Call Staff  
MeredithShiner@cqrollcall.com  
JohnStanton@rollcall.com*



## *Calendar of Events*

### **February 28, 2012**

Board of Directors Meeting  
Montgomery Legislative  
Briefing & Meet & Greet  
Reception  
RSA Plaza Terrace  
Montgomery, AL

### **March 20-22, 2012**

Washington Legislative  
Rally  
The Mayflower Hotel  
Washington, DC

### **July 8, 2012**

Annual Business Meeting  
(Board of Directors)  
Perdido Beach Resort  
Orange Beach, AL

### **July 8 - 10, 2012**

Annual Meeting and  
Governmental Affairs  
Conference  
Perdido Beach Resort  
Orange Beach, AL

### **October 22-24, 2012**

Engineering & Operations  
Conference  
Renaissance Ross Bridge  
Hoover, AL

THE INFORMATION SOURCE OF THE ELECTRIC CITIES OF ALABAMA

P.O. Box 1550  
Montgomery, AL 36102-1550  
804 South Perry St., Suite 200  
Montgomery, AL 36104

Phone: 334-954-3221

Fax: 334-954-3223

THE ELECTRIC CITIES OF  
ALABAMA IS A COALITION OF THE STATE'S  
MUNICIPALLY OWNED AND OPERATED ELECTRIC SYSTEMS.  
ALABAMA'S ELECTRIC CITIES SERVE  
APPROXIMATELY ONE MILLION CONSUMERS IN 36 CITIES THROUGHOUT  
ALABAMA.

EXECUTIVE DIRECTOR: JONATHAN HAND -  
JHAND@ELECTRICCITIES.ORG  
COMMUNICATIONS & MARKETING ASSISTANT:  
ANDREA SALVADOR -  
ASALVADOR@ELECTRICCITIES.ORG

