Lobbying 101

March 24, 2014

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Outline -- Subject to Negotiation

- Personal Background
- Lobbying
 - Mythology
 - Principles
 - Observations
- Client Case Studies
 - Policy
 - Politics
 - The Sausage

What lobbying is not

- Lobbying is not about buying influence.
- Lobbying is not about getting a member of Congress to change their mind.

Principled Lobbying

- Lobbying is the art of educating particular decision makers on an issue so that they adopt the cause and make it their own
- Lobbyists serve as force multipliers for Members of Congress
- Relationships are currency; honesty matters

(Always, always, always be nice to everyone.....)

Client Case Study: The Southwest Intertie Project

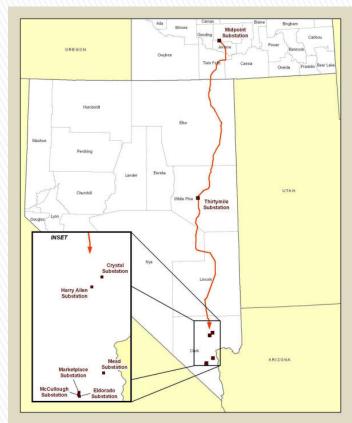


Background

- Evolution of an Issue
- Victories

Southwest Intertie Project (SWIP)

- > 500-kilovolt, AC, 540 mile-long transmission line
- Two Segments
 - White Pine County, NV to Clark County, NV (SWIP-South)
 - White Pine County, NV to Twin Falls, ID (SWIP-North)
- History
 - Original EIS, ROD and Right-of-Way Grant to Idaho Power (1994)
- Original Game Plan (2005)
 - White Pine Energy Station modern coal-fired facility, net capacity of up to 1600 MW
 - Significant investment in White Pine County
 - \$800 million to over \$2bn capital investment
 - Property and sales tax revenue
 - Spending on local goods & services



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1 appropriate action in response to the results of that anal-

2 ysis.

3 SEC, 1953. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out,
in accordance with title 23, United States Code, projects
under section 1301 and 1302 of this Act.

7 SEC. 1954. BICYCLE TRANSPORTATION AND PEDESTRIAN

8 WALKWAYS.

9 Section 217(c) of title 23, United States Code, is10 amended by striking "in conjunction with such trails,

12 SEC. 1955. CONVEYANCE TO THE CITY OF ELY, NEVADA.

Notwithstanding sections 202 and 203 of the Federal
Land Policy and Management Act of 1976 (43 U.S.C.
1711, 1712), the Secretary of Interior, acting through the
Director of the Bureau of Land Management, shall convey
within 45 days after the date of enactment of this Act
to the city of Ely, Nevada, subject to valid existing rights,
without consideration, all right, title, and interest of the
United States in the land located within the railroad corridor described in rights-of-way numbered Nev-043230,
Nev-043231, Nev-043232, Nev-43240, Nev-043234,
ELKO-03009, ELKO-03514, and CC-05887.

Transportation Reauthorization Bill 2005

F:\V9\072805\072805.288 (32840211) July 28, 2005 (6:00 PM)

United States Senate

WASHINGTON, DC 20510-7012

July 24, 2007

Walter M. Higgins III

Chairman and Chief Executive Officer of Sierra Pacific Resources; Director and Chief Executive Officer of Nevada Power Company and Sierra Pacific Power Company. Michael W. Yackira President and Chief Operating Officer of Sierra Pacific Resources 6100 Neil Road Reno, NV 89511

Mike Segal, Chairman and CEO LS Power Two Tower Center, 11th Floor East Brunswick, NJ 08816

Bruce A. Williamson, Chairman and Chief Executive Officer Dynegy Inc. 1000 Louisiana Street - Suite 5800 Houston, Texas 77002

Mr. Bruce Wrobel, Chief Executive Officer Sithe Global Power, LLC 245 Park Avenue - 38th Floor New York, NY 10167

Dear Sirs:

I am writing to each of you regarding your company's proposal to build new coal-fired power plants in eastern Nevada and to express my strong opposition to those plants. Rather than making long-term commitments to old and inefficient combustion technologies, I believe that the goal for Nevada must be greater independence from fossil fuel and electricity imports. Nevada's financial and ratepayer resources should be heavily focused on rapid and significant investments in clean renewable energy and energy efficiency to ensure a more stable, affordable and secure energy future and to reduce the growing risks of global warming.

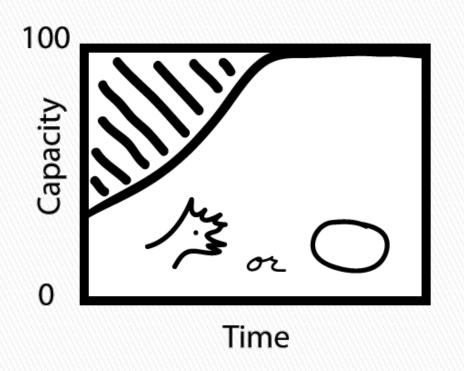
As I write this, tens of thousands of acres of Nevada are on fire – over 400,000 acres have already burned this year. Nearly 10 million acres across the West burned in 2006 – the highest number since records began in 1960. Scientists tell us that the same deep drought that has brought on these dangerous fire conditions may very likely be a normal condition far into the future, and that the Southwest will become increasingly drier and more arid if we and the world conduct business as usual. Studies have also shown that Lake Tahoe is warmer and its level is lower due to increasing average global and regional temperatures.



Senator Harry Reid (D-Nevada)

A New Strategy

- Transmission only
 - Federal interest
 - Anchor tenant NV Energy
 - Federal financing



Government Financing

Western Area Power Administration (WAPA) \$3.25 billion borrowing authority Granted through American Recovery and Reinvestment Act (Public Law 111–5)

DOE Loan Guarantee Program

SEC. 402. WESTERN AREA POWER ADMINISTRATION BORROWING AUTHORITY. The Hoover Power Plant Act of 1984 (Public Law 98-381) is amended by adding at the end the following:

"TITLE III—BORROWING AUTHORITY

"SEC. 301. WESTERN AREA POWER ADMINISTRATION BORROWING AUTHORITY.

"(a) DEFINITIONS.—In this section:

"(1) ADMINISTRATOR.—The term 'Administrator' means the Administrator of the Western Area Power Administration.

"(2) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.

"(b) AUTHORITY .----

"(1) IN GENERAL .--- Notwithstanding any other provision of law, subject to paragraphs (2) through (5)-

"(A) the Western Area Power Administration may borrow funds from the Treasury; and

"(B) the Secretary shall, without further appropriation and without fiscal year limitation, loan to the Western Area Power Administration, on such terms as may be fixed by the Administrator and the Secretary, such sums (not to exceed, in the aggregate (including deferred interest), \$3,250,000,000 in outstanding repayable balances at any one time) as, in the judgment of the Administrator, are from time to time required for the purpose of-

"(i) constructing, financing, facilitating, planning, operating, maintaining, or studying construction of new or upgraded electric power transmission lines and related facilities with at least one terminus within the area served by the Western Area Power Administration: and

"(ii) delivering or facilitating the delivery of power generated by renewable energy resources constructed or reasonably expected to be constructed after the date of enactment of this section.

Permitting Challenges:

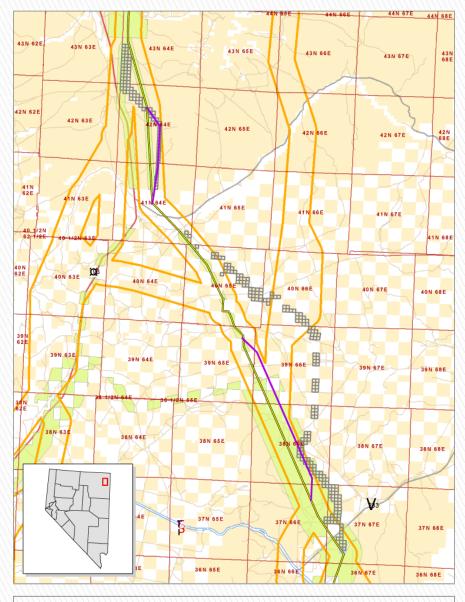
- The Federal Bureaucracy
 - Bureau of Land Management
 - Fish & Wildlife Service
 - National Park Service
 - Bureau of Reclamation
 - Department of Energy
 - Pentagon

- NEPA Process
 - Species e.g. Desert Tortoise, Eagle, etc.
 - Unexpected triggers of new NEPA review
- Private landowners and local stakeholders
 - Sportsmen
 - Environmentalists
 - Ranchers

Sage Grouse

- Originally permitted route bisected sage grouse population
 - Original EIS done in early 90's
 - Sage grouse population had changed
 - Local environmentalists concerned
 - Client willing to modify route; risks delay and rising costs
- Proposed Legislative Solution
 - New route no longer splits concentration of leks
 - Client avoids lengthy and costly delay





SOUTHWEST INTERTIE PROJECT

This map prepared at the request of Senator Harry Reid

May 21, 2010

U.S. Department of the Interior Bureau of Land Management, Washington D.C.



No warranty is made by the Bureau of Land Management as to the accuracy, reliability or completeness of these data for individual use or aggregate use with other data.

MAP LEGEND

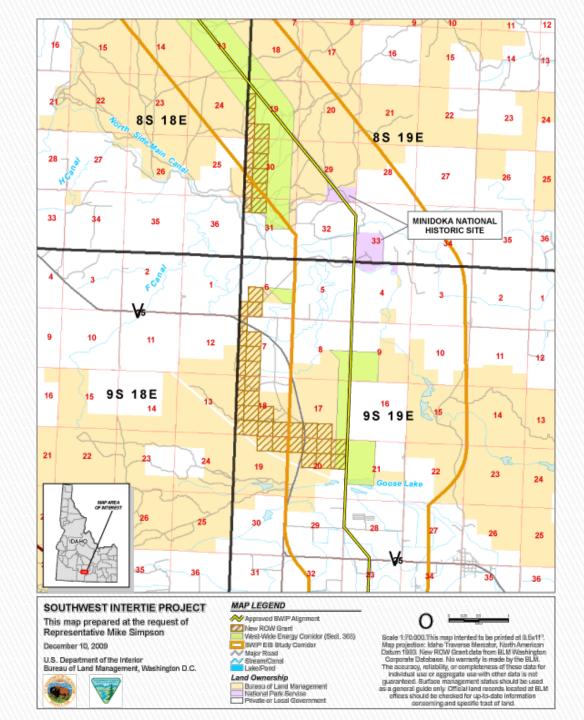
- Approved SWIP Alignment
 Minecup Ranch Proposed Alignment Shilt 1
 Winecup Ranch Alignment Shilt 2
 West-Wide Energy Conidor (Sect. 368)
 SWIP EIS Study Corridor
 New Series Comp ROW Grant
- Interstate Freeway
 US Highway
 State Route
 Local Road
 Township
 Bureau of Land Management
 Private



Minidoka National Historic Site

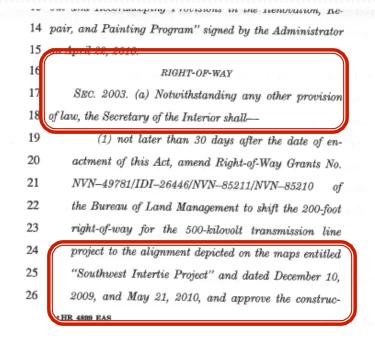
- Original SWIP-North route bisected Japanese-American Internment Camp Site
 - Pre-existing right-of-way owned by client
 - Federal obligation to preserve Minidoka lands
 - Strong Congressional interest
 - Major re-route would trigger new NEPA review
- Legislative Solution
 - Minidoka lands left undisturbed
 - Client avoids lengthy and costly delay

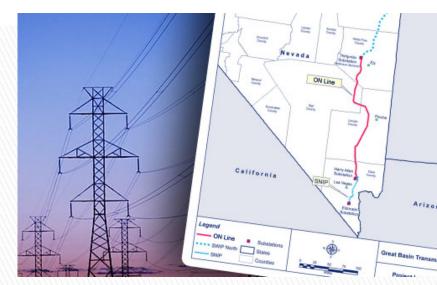




Legislative Resolution of Permitting Challenges

- Two Maps Referenced in the "Disaster Relief and Summer Jobs Act of 2010" (Emergency Supplemental Appropriations Act, July 2010)
- BLM issues a Final Supplemental Environmental Impact Statement for ON Line in December 2010
- BLM issues Record of Decision for ON Line in March 2011
- Construction complete fall 2013





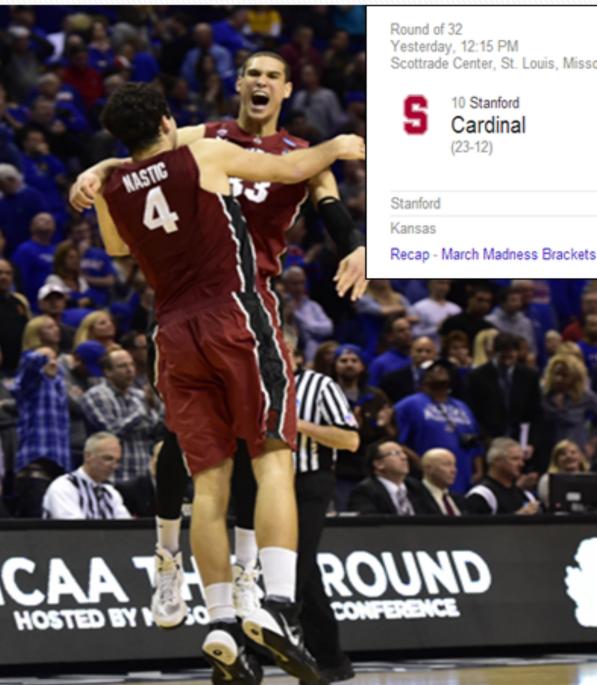
Victory!



Department of Energy Awards Loan Guarantee (February 2011)

OnLine Energized 12/31/2013

600 megawatts of capacity (first phase); 235 miles of 500kV line



Scottrade Center, St. Louis, Missouri

S	10 Stanford Cardinal (23-12)	60 - 57 Final	Kansas 2 Jayhawks (25-10)	;	5
			1	2	Total
Stanford			22	38	60
Cansas			24	33	57
Recan -	March Madness Brack	ets			

KANSAS