

North Carolina League of Municipalities Regulatory Technical Assistance Fund (REG-TAF)

In response to member interest, the League of Municipalities (League) is requesting voluntary contributions for the Regulatory Technical Assistance Fund (REG-TAF). REG-TAF is an annual joint action program created to protect N.C. municipalities' collective interests by hiring external technical support for water quality and electric regulatory issues. REG-TAF comes after the success of two previous League member-supported joint action programs—the Municipal Environmental Assessment Coalition (MEAC) and the North Carolina Municipal Energy Group (NC-MEG):

- In 2010, the League formed MEAC, a coalition comprised of more than 130 cities and towns, to accurately analyze data on the state's proposed limits on wastewater discharges and increased stormwater regulations. MEAC commissioned a study that estimated the cost of complying with the proposed standards at \$2 billion statewide. Based on this study, the League successfully pushed the state to implement alternative policies that minimized the financial impact of these regulations so that most cities will not need to pay for expensive wastewater plant upgrades and stormwater program expansions.
- In 2013, the League formed NC-MEG, a coalition of more than 100 League members, to hire specialized outside legal counsel in the League's interventions in both the Progress Energy Carolinas (PEC) and Duke Energy Carolinas (DEC) rate cases before the North Carolina Utilities Commission (NCUC). The League's interventions reduced the financial burden of rate increases on municipal budgets, particularly in those cities and towns providing services such as water and wastewater treatment, street lighting, traffic signals, and recreational facilities. The NCUC issued an order in the PEC rate case in May of 2013, and the overall rate increase to municipalities was less than 5%, a reduction of 50% from PEC's original requested rates. The League's involvement in the DEC rate case is ongoing; however, the League's intervention minimized the impact of DEC's initial rate increase proposal on municipal operations and the League continues to press DEC for an LED streetlight rate for cities and towns that would make it financially feasible for them to swap out old streetlight technologies for more energy-efficient technologies.

About REG-TAF

- Annual voluntary joint action program created to protect N.C. municipalities' collective interests on regulatory issues.
- Builds upon two successful initiatives that led to significant cost savings for municipalities.
- Funds will be spent as needed to support water quality and/or electric regulatory issues.
- More than 100 League members participated in similar initiatives.

The League membership prioritized these regulatory actions and has now asked the League to build on the successes of MEAC and NC-MEG by organizing an annual joint action program for municipalities to band together to hire outside technical support and expertise for water quality and electric regulatory issues. As explained on the reverse, the suggested cost share depends on the potential benefit a municipality or authority will receive from joint regulatory technical assistance, given its electric consumption, wastewater generation, and stormwater controls.

See the attached member participation form to determine your suggested contribution for participation. REG-TAF will be a continuing program comprised of annual contributions. In some years, the funds will support both water quality and electric regulatory issues, and in other years, funds may only be spent on one issue. Funds will be expended at the direction of an oversight committee comprised of members of the League's Board of Directors with suggestions from all REG-TAF participants.

The submission of this participation form is an agreement to participate in REG-TAF. Deadline for submitting this participation form is August 1, 2014.

**North Carolina League of Municipalities
Regulatory Technical Assistance Fund (REG-TAF)
Member Participation Form**

By signing the participation agreement below, the preparer agrees on behalf of his/her municipality/ authority to participate in the League's Regulatory Technical Assistance Fund program and to submit the suggested contribution by August 1, 2014.

Program Contact: _____

Contact's phone: _____

Contact's Email: _____

Preparer's Signature: _____

Date of Request: _____

Name of Preparer: _____

Position Title: _____

Municipality: Carrboro

Address: _____

Suggested Contribution: \$ 559.72

Other amount: _____

Please submit this form and payment to:
North Carolina League of Municipalities*
PO Box 742106
Atlanta, GA 30374-742106

* This Atlanta address is where NCLM receives payments

If you have any questions, contact:

Sarah Collins
Regulatory Affairs Associate
(919) 715-2919
scollins@nclm.org

North Carolina League of Municipalities Regulatory Technical Assistance Fund (REG-TAF) Suggested Contribution Calculation

Suggested contributions are set based on the potential benefit a municipality or authority will receive from regulatory technical assistance, given its electric consumption, wastewater generation, and stormwater controls. Your organization's suggested contribution was determined using the schedules below. If you have any questions, contact Sarah Collins, Regulatory Affairs Associate, at (919) 715-2919/scollins@ncml.org.

SCHEDULE A (electric consumption)

Population	Number of Services*	Suggested Contribution
150,000 +	4	\$6,000.00
75,000 - 149,999	4	\$3,000.00
25,000 - 74,999	4	\$2,000.00
10,000 - 24,999	4	\$1,000.00
0 - 10,000	4	\$500.00

Population	Number of Services*	Suggested Contribution
150,000 +	3	\$4,500.00
75,000 - 149,999	3	\$2,250.00
25,000 - 74,999	3	\$1,500.00
10,000 - 24,999	3	\$750.00
0 - 10,000	3	\$150.00

Population	Number of Services*	Suggested Contribution
150,000 +	2	\$3,000.00
75,000 - 149,999	2	\$1,500.00
25,000 - 74,999	2	\$1,000.00
10,000 - 24,999	2	\$500.00
0 - 10,000	2	\$100.00

Population	Number of Services*	Suggested Contribution
150,000 +	1 (or less)	
75,000 - 149,999	1 (or less)	
25,000 - 74,999	1 (or less)	\$500.00
10,000 - 24,999	1 (or less)	\$250.00
0 - 10,000	1 (or less)	\$50.00

(ElectriCities do not have a suggested contribution from Schedule A)

SCHEDULE B (wastewater generation)

NPDES Permitted Flow*	Suggested Contribution
25 MGD+	\$1,000.00
10 - 24.99 MGD	\$750.00
5 - 9.99 MGD	\$500.00
1 - 4.99 MGD	\$400.00
0.5 - 0.99 MGD	\$250.00
Under 0.5 MGD	\$150.00

* If Unlimited, use actual peak

SCHEDULE C (stormwater)

Certified 11-12 Population	Suggested Contribution
Multiply by .003	59.72

Suggested Contribution Calculation

Amount From Schedule A	\$ 500.00
Amount From Schedule B	-
Amount From Schedule C	\$ 59.72
Total Suggested	\$ 559.72

* Schedule A - the "Number of Services" is the total number of electric generating services you provide:

- Street Lighting
- Wastewater Treatment
- Water Treatment
- Recreation Facilities/Ball Field Lighting