



N A R U C  
National Association of Regulatory Utility Commissioners

January 19, 2017

The Honorable Donald J. Trump  
President-Elect of the United States  
Presidential Transition Headquarters  
1800 F Street, NW, Room G117  
Washington, D.C. 20270-0117

**Re: NARUC's Role in the Presidential Transition**

Dear President-Elect Trump:

As the President of the National Association of Regulatory Utility Commissioners (NARUC), I would like to offer my sincere congratulations on your election as the next President of the United States. My colleagues and I are anxious to get to work with your Administration to tackle the nation's pressing utility issues.

Founded in 1889, NARUC is a non-profit organization dedicated to representing the state commissions that regulate our nation's utilities. NARUC's mission is to serve the public interest by improving the quality and effectiveness of public utility regulation. With over 200 state commissioners and an enormous number of commission staff operating in diverse circumstances throughout the United States, NARUC offers unparalleled access to an extensive pool of experts on countless utility matters.

NARUC committees focus on issues including electricity, natural gas, water, telecommunications, transportation, critical infrastructure, consumer affairs, and energy resources and the environment. These committees adopt Resolutions that, when approved by the Board of Directors, become the NARUC's policy positions and are used to ensure that policymakers, lawmakers, industry, and the general public understand the issues that face State regulators.<sup>1</sup> NARUC also has a Research Lab that conducts studies on cutting-edge utility issues and an International team that engages in outreach to countries seeking guidance on utility issues.

In addition, NARUC members meet three times a year to exchange ideas, educate one another on the latest developments in the industry, and share regulatory best practices among states. The next NARUC meeting will be held in Washington, D.C. on February 12-15, 2017. I would like to personally invite you to attend this event and share your thoughts with the hundreds of regulatory experts and industry thought-leaders who attend the NARUC meetings. Should you be unable to attend the February meeting, the invitation always stands for you to attend any future NARUC meeting.

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<sup>1</sup> NARUC's Resolutions can be found at <https://www.naruc.org/policy-and-advocacy/resolutions/>.

Looking towards the year ahead, NARUC has several key priorities, a number of which align well with the objectives of your Administration. In particular, infrastructure replacement is a huge concern across all utility sectors. The state of our nation's utility infrastructure is aging and in need of repair, which presents not only a reliability issue, but a safety concern as well.

Along those lines, NARUC looks forward to a renewed relationship with the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA), which plays an important role, along with the states, in ensuring that the nation's pipeline infrastructure remains safe. In addition, there is a crucial need to boost state funding to ensure adequate pipeline safety inspections.

In the water sector, experts forecast that \$650 billion will be needed in the near term to upgrade drinking and waste water infrastructure. We hope that you will support legislation to eliminate the state-by-state volume cap that currently applies to tax exempt bonds and assure their availability to public-private utility partnerships. Federal infrastructure funding options, like private activity bonds, should be available to both government-owned and investor-owned systems, so as not to disadvantage customers served by investor-owned utilities.

Beyond infrastructure replacement, there are several other utility issues that NARUC would like to highlight. First, NARUC encourages your Administration to override the deal between former Senator Reid (D-NV) and the Obama Administration that has kept the Yucca Mountain nuclear waste depository licensing proceeding in limbo. Given that a federal court found the deal to shut down the licensing proceeding was contrary to law, there is no reason to continue the delay.

Second, NARUC would like your help remedying recent federal agency decisions that have encroached on state authority and blurred the divide between federal and state jurisdiction. In particular, NARUC is opposed to recent federal regulations that undermine or bypasses state (1) generation resource allocation choices; (2) initiatives to integrate distributed energy resources (also known as "net metering" policies); (3) avoided cost determinations for "qualifying facilities" under the Public Utility Regulatory Policies Act of 1978; and (4) electric transmission siting authority.

Third, with respect to telecommunications, states are best positioned to direct any in-state infrastructure investment. Federal agencies should respect the need to keep states involved to (1) block fraud and abuse in the federal Lifeline/High Cost universal service programs (and State infrastructure analogs); (2) assure emergency service restoration, (3) maintain emergency 911 calling services, and (4) respond to market failures that cause service quality complaints or undermine competition.

Finally, I want to personally thank you for your steadfast commitment to U.S. energy independence. NARUC shares this goal and looks forward to working with your Administration on developing strategies to bring about great energy independence for our nation.

Congratulations again on your election. Please let us know how we may help.

Sincerely,

A handwritten signature in black ink that reads "Robert F. Powelson". The signature is written in a cursive style with a long, sweeping horizontal line at the end.

Robert F. Powelson  
NARUC President