

RESOLUTIONS
PROPOSED FOR CONSIDERATION AT THE
2021 WINTER POLICY SUMMIT
OF THE
**NATIONAL ASSOCIATION OF
REGULATORY UTILITY COMMISSIONERS**

Revised 1/26/2021 10:52 AM

Important caveat: The descriptions in the Table of Contents are truncated. If you are interested in the topic, you should read the entire resolution to get a better idea of what is being proposed.

(Questions? Contact Brad Ramsay at 202.898.2207 or jramsay@naruc.org)

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Sponsors: Commissioners Presley & Freeman [1/25 3:04 p.m. vz from LD]

Resolution urges the FCC to closely scrutinize the long-form applications of RDOF support winners to ensure that each provider does in fact have the technical, financial, managerial, operational skills, capabilities, and resources to deliver the services they have pledged for every American they plan to serve regardless of the technology they use.

II. Committee on Water

- WC-1 Resolution on Exempting Water and Wastewater Utilities from Liability Under the Comprehensive Environmental Response, Compensation, and Liability Act Stemming from the Designation of Per- and Polyfluoroalkyl Substances as Hazardous Substances** **Page 2**
Sponsors: Commissioners Bocanegra & Ober [1/25 5:42 p.m. vz from Commissioner Bocanegra]

Resolution supports efforts by State regulators, the U.S. EPA and Congress to prevent PFAS chemicals from entering our nation's water supply and to hold accountable those entities that are responsible for environmental contamination.

TC-1 Resolution on the Federal Communications Commission’s Review of Rural Digital Opportunity Fund Auction Bidders Long Forms

Whereas the Federal Communications Commission (“FCC”) has completed its Phase I Rural Digital Opportunity Fund (“RDOF”) auction;

Whereas the FCC has awarded up to \$9.2 billion to help deploy broadband to areas in all 56 States and US territories;

Whereas the National Association of Regulatory Utility Commissioners (“NARUC”) supports the FCC’s efforts to deploy broadband services in their territories;

Whereas NARUC has an interest in ensuring the appropriate and responsible expenditure of Universal Service Fund (“USF”) funds;

Whereas on January 19, 2021, a bipartisan group of Congress sent a letter to then Chairman Pai urging “[a]s responsible stewards of USF funds, we ask the FCC to redouble its efforts to review the long-form applications that will now be submitted.”;

Whereas the FCC will now commence review of RDOF winning bidder’s long-form applications;

Whereas the States as participants in the Eligible Telecommunications Carrier (“ETC”) process are committed to the FCC’s goals of encouraging deployment and responsible stewardship of USF funds; *now therefore be it;*

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2021 Winter Policy Summit, urges the FCC to closely scrutinize the long-form applications of RDOF support winners to ensure that each provider does in fact have the technical, financial, managerial, operational skills, capabilities, and resources to deliver the services they have pledged for every American they plan to serve regardless of the technology they use; *and be it be further;*

Resolved that NARUC encourages the FCC to seek and incorporate opportunities for input into its RDOF long-form review so as to ensure the success of the program and to minimize the possibility of waste fraud or abuse of USF funds;

Sponsored by the Committee on Telecommunications

Adopted by the Board of Directors, Directors, February , 2021

WC-1 Resolution on Exempting Water and Wastewater Utilities from Liability under the Comprehensive Environmental Response, Compensation, and Liability Act Stemming from the Designation of Per- and Polyfluoroalkyl Substances as Hazardous Substances

Whereas the 1980 Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”), commonly known Superfund, provides the federal government with authority to clean up uncontrolled or abandoned hazardous-waste sites, as well as accidents, spills, and other emergency releases of pollutants and contaminants into the environment. Through CERCLA, Congress gave the U.S. Environmental Protection Agency (“EPA”) the power to seek out parties responsible for the release of hazardous substances and assure their cooperation in the cleanup;

Whereas once a chemical is classified as a “hazardous substance” under CERCLA, the EPA can require polluters to either cleanup the contaminated site or reimburse the EPA for the full remediation of the polluted site;

Whereas per- and poly-fluoroalkyl substances (“PFAS”) are a class of over 5,000 manmade compounds that include PFOA, PFOS, and many other chemicals. PFAS have been manufactured and used in a variety of industries around the globe since the 1940s, including food packaging, stain and water repellent-fabrics, nonstick products, and firefighting chemicals;

Whereas while a thorough examination of the health effects of these substances is ongoing, the EPA has found evidence that exposure to PFAS can lead to adverse health outcomes in humans. If humans ingest PFAS by eating food or drinking water containing the chemicals, PFAS are absorbed and can accumulate in the body. PFAS stay in the human body for long periods of time, thus leading to the nickname “forever chemicals.” As people are exposed to PFAS from different sources over time, the level of PFAS in their bodies may increase to the point where they suffer from adverse health effects;

Whereas none of the PFAS chemicals are currently listed as hazardous substances pursuant to CERCLA;

Whereas in recent years, there has been an increased focus on PFAS chemicals by state regulators, the EPA, and the United States Congress;

Whereas the EPA has implemented several agency actions in the past year to address PFAS, including: (1) PFAS Action Plan on February 14, 2020; (2) PFAS Action Plan Update on February 26, 2020; (3) Interim Strategy for PFAS Substances in Federally Issued National Pollutant Discharge Elimination System Permits on November 22, 2020; (4) Interim Guidance on Destroying and Disposing of Certain PFAS and PFAS-Containing Materials That Are Not Consumer Products on December 18, 2020; (5) Advance Notice of Proposed Rulemaking Addressing PFOA and PFOS in the Environment on January 14, 2021; (6) Toxicity Assessment for perfluorobutane sulfonic acid (PFBS) on January 15, 2021;

Whereas on July 22, 2020, at the Summer Policy Summit, the NARUC Board of Directors adopted a *Resolution on PFAS Chemicals Calling For Federal Guidance and State Planning to Address Potential Contamination* (Resolution);

Whereas in the Resolution, the NARUC Board (1) urged the EPA to expedite establishing a maximum contaminant level (“MCL”) for PFAS based on the risk to the public’s health; (2) stated that in the absence of an EPA standard for PFAS, states and their respective regulatory agencies should consider establishing a PFAS Task Force to develop mitigation plans for contaminations at military installations, and develop reporting requirements, formalized guidance on the destruction and disposal of PFAS in wastes, and

standardized metrics for testing; and (3) encouraged regulated water utilities to actively address the eminent risk of PFAS by establishing internal standards, testing and reporting PFAS contaminant levels in their service territories to their appropriate state agencies;

Whereas on January 10, 2020, the U.S. House of Representatives passed H.R. 535, the “PFAS Action Act” with bipartisan support. The PFAS Action Act included a provision that designated PFOA and PFOS as hazardous substances under CERCLA, along with a host of other PFAS provisions. The U.S. Senate did not take up this legislation, and therefore, the PFAS Action Act did not become law.

Whereas in its February 26, 2020, PFAS Action Plan, the EPA stated that it is beginning the necessary steps to propose designating PFOA and PFOS as “hazardous substances” through one of the available statutory mechanisms, including potentially CERCLA Section 102.¹

Whereas President Biden has indicated his administration’s priority to designate PFOS and PFOA as hazardous substances;²

Whereas water and wastewater utilities are not the producers of PFAS and did not cause the PFAS contamination that exists in portions of our nation’s water supply. However, when these chemicals are found, water and wastewater utilities are on the front lines of cleaning up the contamination;

Whereas once a water utility removes PFAS from the supply, it must dispose of the water and wastewater treatment byproducts that contain traces of the chemicals;

Whereas if PFAS are designated “hazardous substances” under CERCLA without an exemption for water and wastewater utilities, these utilities may be held liable under CERCLA for future costs associated with PFAS cleanup;

Whereas making water and wastewater utilities liable for PFAS cleanup under CERCLA – rather than ascribing those costs and cleanup responsibilities to the original manufacturers and polluters – will increase the cost of supplying clean water and result in higher rates for water and wastewater customers;

Whereas in prior bills addressing PFAS, Congress has failed to make a distinction between the entities that introduced PFAS into the environment, and the water and wastewater systems that are leading the effort to remove PFAS from the water supply;

Whereas prior bills addressing PFAS have provided for certain exemptions from liability under CERCLA, such as for airports that are required to use firefighting foam containing PFAS. However, these same bills have failed to exempt the nation’s community water and wastewater systems that are endeavoring to protect the public health and environment by removing PFAS from treated water;

Whereas failing to exempt water and wastewater utilities from a hazardous substance designation for PFAS leaves water and wastewater systems – and their customers – subject to financial liability for PFAS cleanup, even in cases where the utility followed all applicable laws and regulations related to PFAS disposal;

¹ EPA PFAS Action Plan: February 2020 Update, [pfas_action_plan_feb2020.pdf \(epa.gov\)](https://www.epa.gov/pfas/pfas-action-plan-feb2020.pdf).

² [The Biden Plan to Secure Environmental Justice and Equitable Economic Opportunity | Joe Biden for President: Official Campaign Website](https://www.biden.gov/pfas).

Whereas the financial burden of holding water and wastewater utilities liable for the future costs associated with PFAS cleanup will be detrimental to utilities' ability to provide safe and affordable service at a time when water is essential to combat the COVID-19 pandemic and many customers are already struggling to pay their bills; *now, therefore be it;*

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2021 Winter Policy Summit conducted virtually, supports efforts by state regulators, the U.S. EPA and Congress to prevent PFAS chemicals from entering our nation's water supply and to hold accountable those entities that are responsible for environmental contamination; *and be it further;*

Resolved that water and wastewater systems that follow all applicable laws in the disposal of water treatment byproducts containing PFAS should not be held liable under CERCLA for any further environmental cleanup costs related to these chemicals; *and be it further;*

Resolved that Congress should exempt water and wastewater providers from liability related to the designation of PFAS chemicals as hazardous substances under CERCLA.

Sponsored by the Committee on Water

Adopted by the Board of Directors, February , 2021