



NARUC Annual Meeting
and Education Conference
Bridging the Divide

Annual Report 2020

| Year of the Pivot

Annual Report 2020

This Annual Report covers the period November 1, 2019, through November 10, 2020.



Table of Contents

About NARUC	04
Member Services	05
From the Executive Director and NARUC President	06
Year of the Pivot	07
Meetings	08
Policy	9
Communications	12
International	13
Center for Partnerships & Innovation	15
NARUC Staff	17

About NARUC

Founded in 1889, the National Association of Regulatory Utility Commissioners (NARUC) is a non-profit organization dedicated to representing the state public service commissions who regulate the utilities that provide essential services such as energy, telecommunications, power, water, and transportation.

NARUC Mission Statement.

Based in our nation's Capital, NARUC is the national association representing the State Public Service Commissioners who regulate essential utility services in your State. NARUC members are responsible for assuring reliable utility service at fair, just, and reasonable rates.

NARUC's members include all 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands. Most state commissioners are appointed to their positions by their governor or legislature, while commissioners in 14 states are elected. For a complete breakdown, [click here](#).

Our mission is to serve in the public interest by improving the quality and effectiveness of public utility regulation. Under state law, NARUC's members have an obligation to ensure the establishment and maintenance of utility services as may be required by law and to ensure that such services are provided at rates and conditions that are fair, reasonable, and nondiscriminatory for all consumers.

We serve our members through education and advocacy.

Contributing to the regulatory utility community since 1889.

NARUC provides legal expertise to ensure that our members are represented on pressing matters affecting our states; resources and technical knowledge that provide practical applications; communications and marketing expertise that amplify key state messages to national press and facilitated discussions among PUC communications staff; and, through its well-attended meetings, direct access to other state commissions, federal policymakers, consumer advocacy groups, industry experts and the ability to participate in meaningful dialogues with all stakeholders.

NARUC offers unparalleled and essential educational opportunities for its members, with topics ranging from rate-case basics to ethical considerations. NARUC helps new commissioners learn their challenging jobs in an expedited manner. Also, the Association and its affiliates, through national and regional conferences and committee meetings, seek to improve the knowledge base and collaboration among the membership.

2020: The Year of the Pivot

NARUC's strength is harnessing our core capabilities to remain flexible to serve our members.



Policy & Advocacy



International Programs



Virtual Meetings



Outreach & Communications



Training & Resources

From the Executive Director and NARUC President

During these unprecedented and challenging times, flexibility and talented teams win the day.



Greg White



Brandon Presley

Dear Members,

It goes without saying that this is a year in which a series of unfortunate events converged and settled in for the duration: a global pandemic, wildfires, hurricanes, racial unrest, and a bitterly contested national election.

Not unlike other associations, the pandemic severely affected our operations and presented unique challenges. Despite the historic nature of the pandemic, our staff's ability to quickly shift to working remotely full time is impressive. Moreover, we have been able to not only continue to provide essential services to our members, but we are doing more today than ever before, and at a very high level.

As you'll see on the pages that follow, each department continues to be productive —making necessary pivots when needed for NARUC to remain nationally relevant and provide value to our commissions.

*Our **Meetings Department** has done a Herculean job to pivot to a virtual environment. Likewise, our **International Programs** was able to creatively and proactively move forward to serve international communities, without the benefit of being there in-person, and has received more grants from our funding partners. This positive activity is also demonstrated by the **Center for Partnerships & Innovation**, which has continued to publish excellent resources, host webinars and trainings, and also garner more grants. As you know, core policy issues never take a break. The **Policy & Advocacy Department** remains front and center representing myriad energy and utility concerns before federal agencies and the courts. Our **Communications Department** has steadily shared our news, marketed events, designed publications, and managed the flow of media requests in ways that make us proud. And finally, our behind-the-scenes teams in our **Finance** and **HR** operations have had to weather the challenges of making everything work in a pandemic environment.*

In closing, we can't predict when or how the pandemic will be resolved to allow us to resume normal (or close to normal) operations. If this past year is any indicator, we are poised to continue to pivot toward success.

Greg R. White

NARUC Executive Director

Brandon Presley

NARUC President

Commissioner, Mississippi Public
Service Commission

Meetings

A lot changed over a short amount of time! The **Winter Policy Summit** was held just a couple weeks before the pandemic hit. Attendance at the Summit was 1,555. This included 150 commissioners, 256 staff, 969 Stakeholders, 117 consumer representatives, and 20 members of the media. Planning for **Western Rate School**, the **Summer Policy Summit**, and the regional meetings were underway when the pandemic hit. So decisions had to be made to cancel or re-engineer these events to go online.



President Brandon Presley at the Winter Policy Summit. (S. Bolden)

Western Rate School was cancelled and students were given the option of a refund or a deferral to a future Rate School. Luckily, roughly 25 percent chose the deferral and were given registration priority for the Eastern Rate School.

MACRUC and NARUC chose to deliver their meetings online. The decision made was based on the essential and relevant information needed for members and stakeholders. In less than eight weeks, these meetings were organized and actualized. With 450 registrants for MACRUC and 950 for NARUC, both meetings received high marks on the attendee evaluations. The breakdown of the **Summer Policy Summit** had 142 commissioners, 334 staff, 328 stakeholders, 65 consumer advocates, and 38 members of the media. Interestingly, staff and media participation increased, whereas commissioner levels remained close to normal and the stakeholder category had a large drop.

The Eastern Rate School re-engineered to go online with a dedicated and outstanding faculty willing to tackle technology challenges while maintaining the essential 'team functionality.' Deferred Rate School students were given first option to register. Then the list was opened to the rest of the Western Rate School registrants who cancelled and then to anyone. Registration quickly reached the 95 student cap and a waiting list of dozens more was created. Due to the online nature of Rate School, we also recruited 10 mentees to deepen the coaching and teaching team for future meetings. Preparation for Rate School included recording 12 of the 17 sessions, creating ZOOM team accounts, as well as a web-based resource page.

The **NARUC Annual Meeting and Education Conference** will also be held online and includes four general sessions, 12 concurrent sessions, a 'hot topics' session; meetings of committees, staff subcommittees, six task force/subcommittees, regionals, board of directors meeting; and more than 100 one-on-one ZOOM meetings with commissioners.



\$185K

Summer & Annual
Sponsorship

Sponsors to all the NARUC meetings have been very supportive. A new sponsorship program was developed based on acknowledgments conducive to an online platform. More than \$185,000 has been committed between the **Summer Policy Summit** and the **Annual Meeting and Education Conference**.

Many NARUC team members 'upskilled' on technology to help produce outstanding meetings while reducing the need to hire outside experts. It has been a true pleasure working with members and NARUC staff during these trying times. The positivity and willingness is overwhelming. We are all looking forward to the return of in-person meetings.



Virtual 2020 Annual Meeting



New Commissioner Forum, San Antonio

Policy & Advocacy

Energy Policy

Just as the coronavirus has had a great impact on individual commissions, the same has been true for NARUC and the work of the Policy Department. Starting in mid-March, we responded to the pandemic by trying to keep members informed and up-to-date with industry and federal partners. NARUC hosted briefings and webinars and provided resources.

The Federal Energy Regulatory Commission (FERC) and the Pipeline and Hazardous Materials Safety Administration (PHMSA) briefed us on their responses to the pandemic. Electricity, natural gas, and water sector representatives explained the impact on their sectors and how they were trying to meet the needs of their customers under very challenging circumstances. We also heard from Wall Street about the financial impacts of the virus on the markets and utilities. These briefings led to collaborations with our federal and industry partners.

In addition to work on pandemic issues, our advocacy at the federal agencies, the federal courts, and Congress on behalf of the states has continued. Notable highlights follow.

Key Initiatives

Net Metering/State Jurisdiction over Rooftop Solar

At its July 2020 Commission meeting, FERC denied the New England Ratepayers Association's April 2020 petition challenging jurisdiction and pricing on procedural grounds. Two FERC commissioners' concurring statements emphasized that the decision was not based on the merits of the legal and policy arguments, leaving open a possibility that FERC could revisit the issues raised in the petition under a different procedural mechanism, such as a rulemaking.

Participation of Energy Storage Resources and Distributed Energy Resource Aggregators in Wholesale Markets

For years, FERC has worked on new rules for wholesale markets to lower the barriers of entry for energy storage resources and distributed energy resource (DER) aggregators. In September 2020, FERC issued the new rule regarding DER aggregators participating in the wholesale markets and included a slightly modified version of the challenged language. NARUC will now seek to protect state jurisdiction in the implementation phases of the two rules.

PURPA Reform

In July 2020, FERC issued a final rule to modernize its Public Utility Regulatory Policies Act of 1978 (PURPA) regulations. This reform process began in 2016 and NARUC has advocated for certain changes for several years. FERC adopted most of the reforms for which NARUC advocated in the final rule, which will mean greater flexibility to the states in implementing the regulations.

Telecommunications, Water, and Nuclear Waste

Broadband Because of the pandemic, numerous bills were introduced to provide incentives to promote broadband infrastructure. President Brandon Presley focused on blocking legislation to remove the designation procedure from the FCC’s proposed Rural Digital Opportunity (RDOF) auction, which began in October, and he also sought changes to the auction process.

Lifeline & Inmate Calling In June, we successfully promoted the federal “Lifeline” program and highlighted the program’s increased importance in the wake of the pandemic. In September, NARUC led another successful Lifeline Awareness Week. We also joined the FCC in a joint [September 22 Letter to Governors on Inmate Calling Rates](#), again noting the impact of the pandemic exacerbates the impact of non-cost based inmate calling rates.

5G Fund In June, NARUC filed [comments](#), based on a February 2020 [Resolution](#), on an FCC proposal to auction \$9 billion to support wireless 5G services. NARUC endorsed the collection of updated data before the first Phase I auction to properly target unserved areas and suggested the auction could occur prior to 2023. At its October agenda meeting, the FCC released an order that required the collection of updated data – [as NARUC suggested](#) – but still delayed the first auction to 2023.

Water Lifeline NARUC passed a July 2020 [resolution](#) that sought federal support for low-income water customers. On October 2, Congress passed the [HEROES Act, 2.0](#). The bill included funding for low-income water customers, but unfortunately any carrier that takes funding is subject to the indefinite disconnection moratoria NARUC has opposed. Although seen widely as a messaging bill, there is a reasonable chance that this idea – and the linkage to disconnection moratoria - could be included in legislation that could pass in 2021.

Nuclear Waste Disposal Advocacy Legislation was introduced related to NARUC’s objectives in 2020. The most likely near-term solution involves interim storage facilities proposed by *Holtec* in New Mexico and by *Interim Storage Partners* in Texas. Despite opposition at the Nuclear Regulatory Commission from Texas and New Mexico and the imminent retirement of the strongest proponent of the current law (Rep. Shimkus (R-IL)), we look to South Carolina’s Rep. Duncan (R) as the new leader in the next Congress on the nuclear waste fight.

Other Activity in Energy Policy

Congressional Preemption of State Jurisdiction

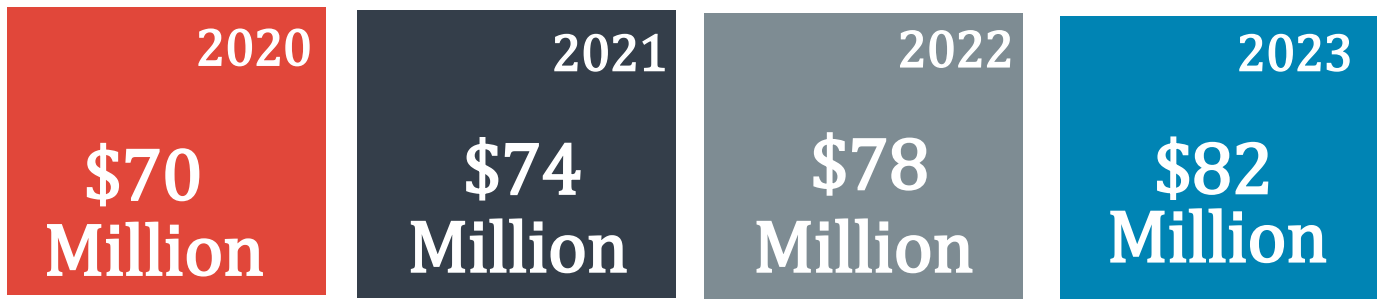
NARUC helped defeat efforts to include language preempting state jurisdiction on utility disconnect moratorium in the various COVID-19 economic stimulus packages. We also were able to keep a number of preemptive provisions out of the House and Senate energy bills. These issues could return should Congress take up additional stimulus legislation in its “lame duck” session or in the 117th Congress.



Image: National Conference of State Legislatures.

Authorization of PHMSA Funding

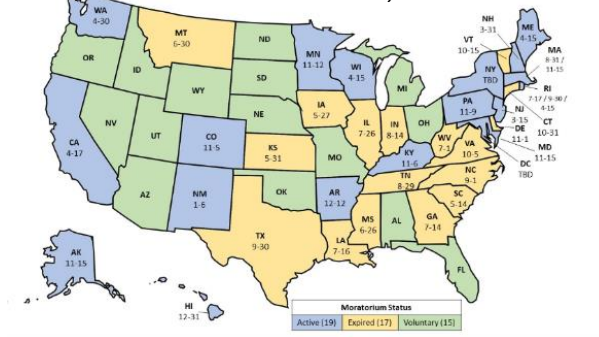
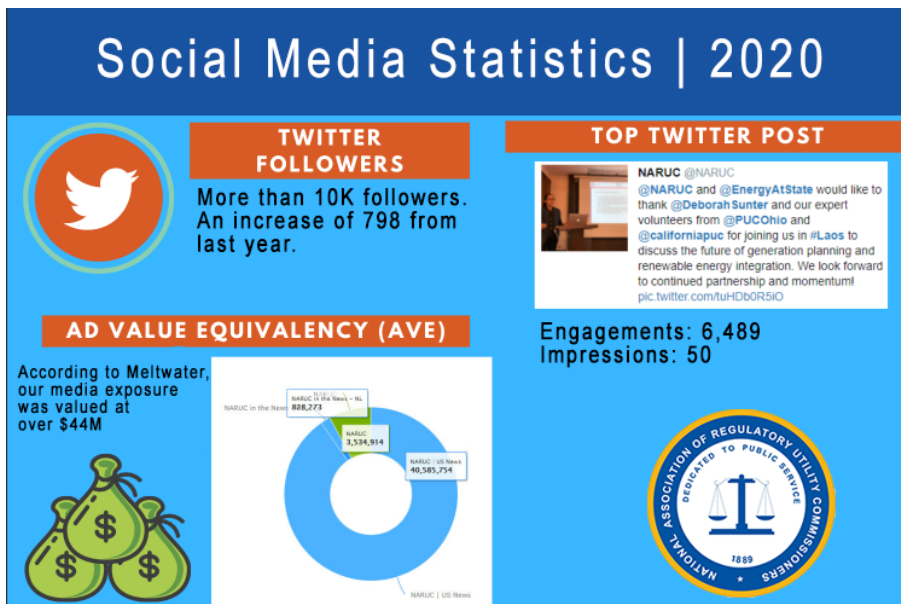
Successfully lobbied Senate members to include increased funding for state pipeline safety programs. Our efforts resulted in authorization of appropriation language in the Senate bill (S.2299) that passed in August which provided: \$70 million in 2020; \$74 million in 2021; \$78 million in 2022; and \$82 million in 2023. As of October 2020, House and Senate staff were negotiating to get a bill to the President.



Communications

Throughout the year, the Communications & Public Affairs Department informed and provided resources to members, policymakers, and others through articles, the website, and social media platforms. No other time has this been more critical for our Association than in the midst of a pandemic, which challenged our ability to hold conventional meetings and conversations. However, we were able to keep audiences connected and delivered relevant and timely content.

We promote meetings and events through e-blasts and social media and branding. Press releases inform the press and others of papers, official statements, and commission news. We had 4,273 media hits this past year, which represents an increase of 190 mentions in the press or 9.4 percent. NARUC was called on for background and on-the-record comments by *The Washington Post*, *The Wall Street Journal*, *The New York Times* and trade press outlets such as *E&E News*, *Utility Dive*, and *Communications Daily*.

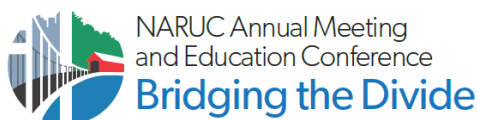


COVID-19 Resources

The novel coronavirus (COVID-19) pandemic presented NARUC with a unique set of circumstances, as well as opportunities to inform the regulatory community. We worked collaboratively with our research arm, the National Regulatory Research Institute, to develop a microsite with COVID-19 news and resources, including a [state response tracker](#) and [map of disconnection moratoria](#).

Meetings, Webinars & Campaigns

The logo for the 2020 theme, *Bridging the Divide*, was designed in-house. Our pivot to virtual meetings required new graphics to convey both interactivity and relevant content. We also maintained all public awareness campaigns throughout the pandemic.



Imagine a Day Without Water
October 21, 2020

#ValueWater



International Programs

Pivoting to Virtual Events

As precautions taken against COVID-19 have limited travel and in-person interaction on a global scale, NARUC International Programs has shifted to web-based engagements instead of in-country activities with foreign counterparts around the world. The department is busier than ever before, with a multitude of upcoming virtual events on the horizon.

NARUC is particularly thankful to its members and volunteers, all of whom have shown great dedication in helping partner governments improve their regulatory frameworks through consistently sharing best practices in utility regulation via peer reviews and web-based meetings. Additionally, department staff have adapted quickly and resiliently using a variety of new technologies and strategies to provide a smooth transition to remote activities.

Hosting Successful Remote Webinars & Workshops

Over the past few months, NARUC has hosted several webinars and web-based workshops in partnership with the United States Agency for International Development (USAID) to address a variety of timely and important topics in energy regulation. These include “The Energy Regulator’s Role in Mitigating the Impact of COVID-19” (740 registrants) and “Joint Webinar Series on Implications of the Global Pandemic on Tariff Design and Utility Finances” (945 registrants), to name a couple. Click [here](#) for more information on additional virtual events.



The Energy Regulator’s Role in Mitigating the Impact of COVID-19

April 21, 2020

Securing Funding for Additional Work

NARUC is delighted to announce that it has received extensions to continue several of its international projects. Under **USAID**, the ESTEEM agreement for Europe & Eurasia received a two-year extension to September 2022. Under the **Department of State**, the SURGE III received a 30-month extension to March 2023. In addition, NARUC received a new one-year contract from the **Asian Development Bank** for engaging with the Pacific Islands. Some of the additional countries and regions NARUC will be working in include:

Andes Regional

Pacific Islands Regional

Angola

Guinea



Malaysia

Mongolia

Introducing New Publications

Since the [July 2020 update](#), NARUC International Programs has published the following materials, which serve to assist regulators as they work to improve the quality and effectiveness of their regulatory frameworks and interactions with consumers, utilities, and other stakeholders.

- [Roadmap for the Development of Downstream Natural Gas Markets](#)
- [Understanding Cybersecurity Maturity Models within the Context of Energy Regulation](#)
- [A Regulator's Guide to the Use of Load Flow Study Tools for Transmission Planning](#)
- [A Regulator's Guide to the Use of Production Simulation Tools for Market Analysis](#)

International Regulatory Development & Regional Cooperation

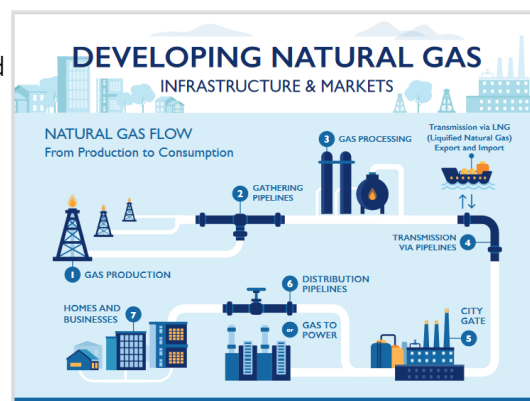
These recent feature stories demonstrate how NARUC assists energy regulators around the world in developing regulatory frameworks that will expand safe and reliable access to energy for consumers and foster broader, more robust markets for power resources.

- [“Ethiopian Regulator Drives Investment in the Energy Sector through Improved Financial Reporting”](#)
- [“Ugandan Regulators Draft Isolated Grid System Regulation to Achieve Rural Electrification Goals”](#)
- [“Albania Establishes First-Ever Cybersecurity Regulation for the Electricity Sector”](#)
- [“Central Asian Countries Map Next Steps in Energy Sector Development through Participation in Regional Regulatory Partnership”](#)

Producing Helpful Infographics

Check out our new infographics! NARUC has developed several as a way to capture key focus areas of our international work in a visually interesting way.

- [“Markets Promote Energy Independence by Increasing Transparency and Investment”](#)
- [“Modernized Grids Can Increase Cybersecurity Risks”](#)
- [“Developing Natural Gas Infrastructure & Markets”](#)



Articles in Public Utilities Fortnightly

Originally appearing in the July and October 2020 issues of *Public Utilities Fortnightly* (PUF), both of these articles were written by NARUC staff and feature a recent USAID and NARUC publication on the topic of cybersecurity. Importantly, they note the opportunity for energy regulators to serve as leaders within their countries by enhancing the cybersecurity stance of their power systems.

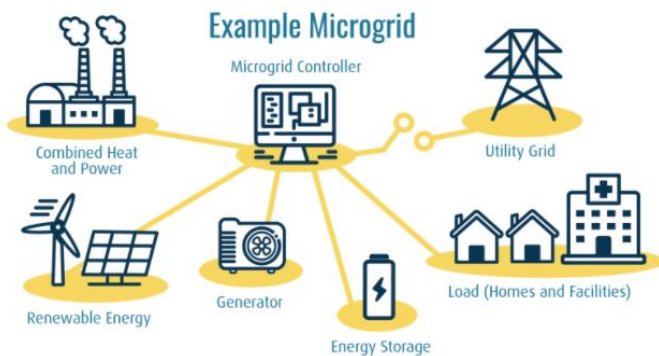
- “Global Challenges of Implementing Cybersecurity Standards” (July 2020)
 - Corresponding USAID and NARUC publication: [“The Utility Regulator's Role in Promoting Cybersecurity: Resilience, Risk Assessment, and Standards”](#)
- “How Much Does Cybersecurity Really Cost?” (October 2020)
 - Corresponding USAID and NARUC publication: [“Evaluating the Prudence of Cybersecurity Investments: Guidelines for Energy Regulators”](#)

Center for Partnerships & Innovation

NARUC's Center for Partnerships & Innovation has stood up to its name in the face of the COVID-19 pandemic. The team quickly pivoted from near-constant in person trainings, workshops, and site visits to dozens of webinars, peer sharing calls, and virtual trainings. In May, we hosted a Virtual Meeting Experiences peer exchange webinar to support member commissions with their own transitions to a virtual environment. We launched an extensively populated and redesigned CPI microsite on the NARUC website, growing content from three pages to more than 35 substantive pages with improved navigation. CPI launched two series of online learning modules for on-demand training: 12 smart grid interoperability modules (5-17 min. each) and 13 distribution systems and planning videos (33–90 min.). The four virtual state working groups launched in late 2019 seemed particularly prescient and didn't miss a beat in offering members opportunities to engage with experts and one another around key topics: electric vehicles, microgrids, performance-based regulation, and grid-interactive efficient buildings. Finally, our publications catalog has never been stronger. Visit the new website to check it all out at www.naruc.org/cpi-1.

A sampling of significant events from pre-COVID and during the pandemic follow.

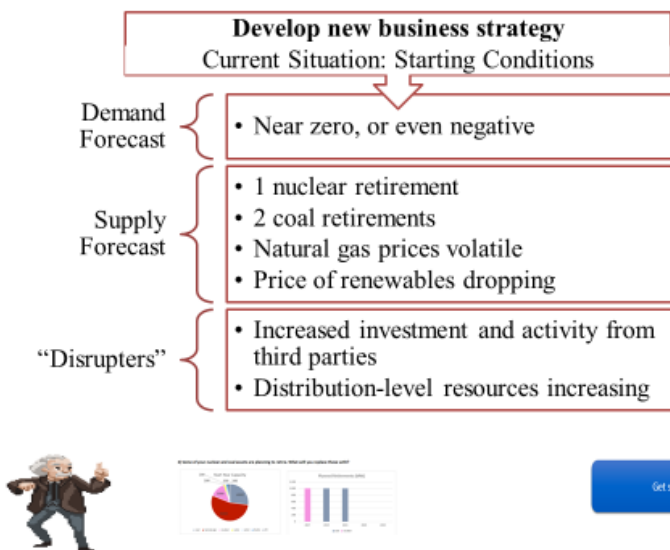
Microgrids State Working Group



Graphic by NASEO: <https://www.naseo.org/issues/electricity/microgrids>.

NARUC collaborated with the Department of Energy and NASEO to launch a new microgrids state working group to explore state needs for resilient microgrids, barriers to broader deployment, and strategies to increase microgrid adoption. The working group met for an in-person roundtable on February 13, 2020, to lay the groundwork for members; hosted four webinars; and organized a virtual site visit with Schneider Electric's Global R&D Facility alongside the NARUC Summer Policy Summit in July 2020. The state working group has 59 members from 24 states.

MegaModel Utility Business Model Game



On February 13, 2020, NARUC CPI staff facilitated the MegaModel utility business model game for 45 members of NARUC's Performance-Based Regulation State Working Group and federal guests. Players formed teams and simulated managing a utility under different business and regulatory models. Teams played through 10 years of the simulation, selecting generation, transmission, distribution, and flexibility resources while responding to policies and consequential events such as carbon pricing, heat waves, and natural gas price spikes. CPI staff also delivered the training virtually for the first time over WebEx in October 2020.

Cybersecurity Training for State Regulatory Commissions

NARUC held a virtual cybersecurity training event on September 21-23, 2020, for 164 participants. In addition to commissioners and commission staff from 46 states, staff from NASEO, NCSL, and NGA participated. This training focused on building technical expertise; specifically, in IT/OT technologies and threat mitigation, federal regulatory requirements, and PUC strategies for ensuring utility cybersecurity preparedness. The significant number of attendees underscores the importance that PUCs place on cybersecurity and the value they perceive from these training events. Participants who attended all three afternoons received a certificate of course completion.

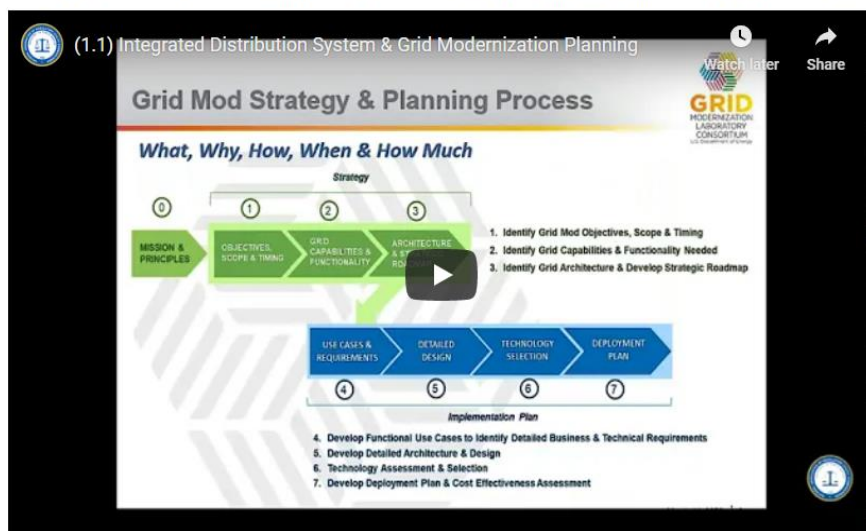


Distribution Systems and Planning Training

CPI delivered two iterations of its multi-day training curriculum on distribution systems and planning during 2020. NARUC, NASEO, and LBNL offered a distribution systems and planning training designed for Southeastern energy officials on March 11-12, 2020. This was planned as an in-person event, but suddenly and successfully shifted to virtual due to the COVID-19 pandemic. On October 12-14, 2020, NARUC partnered with DOE, LBNL, NASEO, and the Organization of MISO States (OMS), to deliver a Midwest/MISO Regional Training on Integrated Distribution System Planning. These events have resulted in a new Integrated Distribution Systems Planning Learning Module series posted to NARUC's website. Videos include 101-level sessions on electric distribution systems, utility distribution system planning, and state engagement in distribution planning. More in-depth technical sessions cover topics such as planning for resilience and reliability and emerging distribution planning analyses (for example, scenario modeling, hosting capacity analysis, and locational net benefits).

Integrated Distribution System and Grid Modernization Planning

Speaker: Paul De Martini, Newport Consulting – Distribution Systems Planning Training for Southeast Region – March 11, 2020



Year-End Snapshot

- Grew from seven to eight full-time CPI staff
- CPI grant funding for the past year was approximately \$2.25 million
- More than 2548 visitors to CPI's redesigned content-rich website
- Thirteen new NARUC CPI publications since November 2019
- Four topical state working groups, with 227 working group members from 41 states
- Forty-eight webinars, more than 1,000 attendees

NARUC Staff

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Greg R. White

Isabella Arce, Executive Assistant to the Executive Director

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Bevan Flansburg, Deputy Director

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Senior Program Officer; Hannah Allen, Program Officer; Kristina Boichuk, Program Officer; Chase Morgan, Program Officer;

Andrew Keough, Program Officer; Matthew Patten, Program Officer; Arielle Swett, Program Officer; Sarah Stiles, Senior Program Logistics Officer

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Michelle A. Malloy, Senior Director of Meetings and Member Services

Wendy Harris, CMP, Deputy Director, Meetings

Policy

James Bradford Ramsay, General Counsel/Director Jennifer Murphy Director of Energy Policy and Senior Counsel

Christopher Mele, Legislative Director, Energy; Ashley Ingebrigtsen, Policy Associate

NARUC Executive Committee

Brandon Presley, President

Commissioner

Mississippi Public Service Commission

Paul Kjellander, First Vice President

President

Idaho Public Utilities Commission

Judy W. Jagdmann, Second Vice President

Commissioner

Virginia State Corporation Commission

ToNola D. Brown-Bland, Treasurer

Commissioner

North Carolina Utilities Commission

Michael A. Caron, Appointed

Commissioner

Connecticut Public Utilities Commission

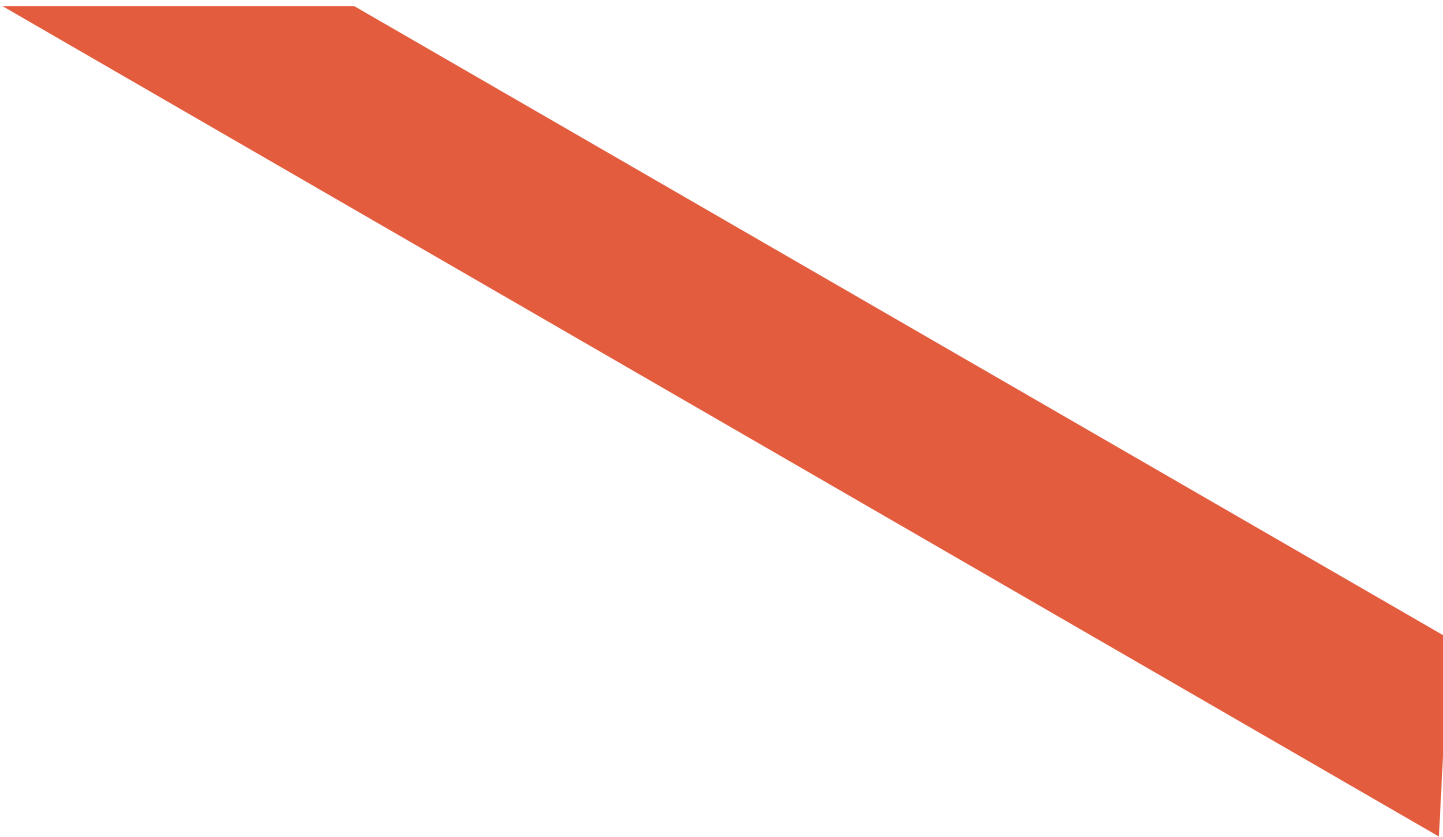
Kimberly A. O'Guinn, Appointed

Commissioner

Arkansas Public Service Commission



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National Association of Regulatory
Utility Commissioners



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