

RESOLUTIONS
PASSED BY THE
BOARD OF DIRECTORS
OF THE
NATIONAL ASSOCIATION OF
REGULATORY UTILITY COMMISSIONERS
AT THE
2022 WINTER POLICY SUMMIT
(FEBRUARY 16, 2022)

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 was adopted.

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

I. Energy Resources and the Environment (ERE-1 & GAS-1 are the same resolution)

ERE-1 Resolution Encouraging State and Federal Policymakers to Seek Guidance Page 1 from State Regulators to Design Markets that Will Achieve Reduction of Greenhouse Gas Emissions at Least Cost

Sponsors: Cmrs. Anthony/Kimbrel (Received from Cmr Anthony on 1/31 at 3:45 pm)

Resolution “encourages state and federal policymakers to consider that well-designed markets will reduce CO₂ in the energy sector at the least cost while maintaining reliable, resilient, and affordable service and therefore policy makers should seek guidance from state utility regulators on market design.”

II. Gas (GAS1 & ERE-1 are the same resolution)

GAS-1 Resolution Encouraging State and Federal Policymakers to Seek Guidance Page 1 from State Regulators to Design Markets that Will Achieve Reduction of Greenhouse Gas Emissions at Least Cost

Sponsors: Cmrs. Anthony/Kimbrel (Received from Cmr Anthony on 1/31 at 3:45 pm)

Resolution “encourages state and federal policymakers to consider that well-designed markets will reduce CO₂ in the energy sector at the least cost while maintaining reliable, resilient, and affordable service and therefore policy makers should seek guidance from state utility regulators on market design.”

III. Telecommunications

TC-1 Resolution on Ensuring that Federal and State Entities Collaborate, Share Page 3 Data, and Track Progress on Closing the Digital Divide Utilizing Various Federal Programs including the Infrastructure Investment and Jobs Act and the American Rescue Plan Act of 2021.

Sponsor: Commissioner Schram (Revision from J. Ramsay on 2/15 at 11:35 pm)

Resolution urges federal agencies awarding broadband funding to work with states and community stakeholders to ensure that the rules for broadband grant awards are uniform, says “NARUC, consistent with CAF II and RDOF rules, seeks to prevent redundant and duplicative allocations of federal and state funding in particular geographic areas, so as to avoid overbuilding broadband networks,” urges policymakers to “use the FCC’s guidance on broadband mapping and the collection and sharing of program performance data,” to identify programs that will serve unserved and underserved locations, and contends all federal agencies awarding broadband funding should adopt Government Accounting Office’s guidance regarding data collection, tracking expenditures of federal dollars, and monitoring the progress and overall performance of federally-funded broadband projects.

IV. Water

WC-1 Resolution on Water Equity

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Sponsor: Cmr. Bocanegra (Received 2/15 at 10:13 pm from Kelly Aves).

Resolution outlines various mechanisms to achieve water equity and encourages regulators, utilities, and policymakers to consider the paths to water equity identified.

ERE-1/GAS-1

Resolution Encouraging State and Federal Policymakers to Seek Guidance from State Utility Regulators to Design Markets that Will Achieve Reduction of Greenhouse Gas Emissions at Least Cost

Whereas at least hundreds of individual utilities are preparing to meet certain state CO₂-reduction requirements or have adopted a voluntary CO₂-reduction target;

Whereas reducing CO₂ from all sectors benefits society at large by reducing greenhouse gas emissions that contribute to global warming;

Whereas through years of policy- and market-driven investments in electric efficiency, renewable generation, and other CO₂ reducing technologies, the electric sector currently accounts for a comparative 32% of U.S. greenhouse gas emissions (See [Energy Information Administration](#));

Whereas the residential, commercial, and industrial sectors combined account for 27% of U.S. greenhouse gas emissions (See [Environmental Protection Agency](#));

Whereas the nation's natural gas infrastructure also has the potential to be leveraged to use low-to-no CO₂ resources;

Whereas meeting CO₂ reduction requirements can be best achieved by allowing all carbon reducing investments and strategies to compete on the basis of total costs;

Whereas the regulators' role is not to favor specific fuels or technologies, but rather to implement policies and regulations in order to deliver reliable utility service that adequately meets the requirements of the jurisdiction at least cost;

Whereas regulated utilities can help reduce CO₂ emissions in various ways, including future technologies and solutions that are not yet developed or known;

Whereas the total costs and benefits of any emissions-reducing investment proposal, including impacts to the environment, the economy, jobs, and working conditions, matter to society;

Whereas utilities are uniquely capable of managing the cost of CO₂ reductions through regulated utility services, including exploring rates and investments to meet customer demand at least cost;

Whereas minimizing the cost of meeting CO₂-reduction requirements requires the ability to compare solutions on total cost; to enable this comparison, the level of investment and ratepayer costs required to reduce or eliminate CO₂ emissions in utility services should be clearly presented;

Whereas the relative cost of electricity, transportation, and heating fuels will play an important role in customers' decisions to adopt new technologies and solutions that reduce CO₂;

Whereas the most efficient market will allow competition between a wide range of resources; *and*

Whereas least cost CO₂ reduction strategies may come from various economic sectors, including regulated utilities; *now, therefore be it*

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2022 Winter Policy Summit in Washington, DC, encourages state and federal policymakers to consider that well-designed markets will reduce CO₂ in the energy sector at the least cost while maintaining reliable, resilient, and affordable service and therefore policy makers should seek guidance from state utility regulators on market design.

*Passed by the Committees on Energy Resources and the Environment & Gas February 15, 2022.
Adopted by the NARUC Board of Directors on February 16, 2022.*

TC-1

Resolution on Ensuring that Federal and State Entities Collaborate, Share Data, and Track Progress on Closing the Digital Divide Utilizing Various Federal Programs including the Infrastructure Investment and Jobs Act and the American Rescue Plan Act of 2021.

Whereas the federal government has made a historical investment to deploy high speed broadband to help close the “Digital Divide”;

Whereas the largest share of broadband funds allocated by the federal government will be administered by the National Telecommunications and Information Administration (“NTIA”) as a grant program to support the states in awarding competitive grants to support deployment, mapping, and adoption of broadband service;

Whereas the Infrastructure Investment and Jobs Act (“Infrastructure Act”) reflects that the federal government and states have been long-term partners in deploying broadband to unserved and underserved populations;

Whereas in past resolutions, NARUC has consistently supported federal-state partnerships in broadband deployment program implementation, data sharing and reporting, including during the Federal Communications Commission’s (“FCC’s”) Connect America Fund Phase II (“CAF II”) and the Rural Digital Opportunity Fund (“RDOF”);

Whereas the Government Accountability Office (“GAO”) has reviewed federally funded broadband deployment programs and repeatedly recommended improvements to those programs’ design and monitoring of clear indicators for the effectiveness and progress of deployments, including with respect to NTIA’s Broadband Technology Opportunity Program (“BTOP”) and the United States Department of Agriculture, Rural Utilities Service’s Broadband Innovation Program (“BIP”);

Whereas the GAO has recommended the use of best practices by federal entities in awarding broadband funding grants and monitoring the effectiveness of those deployment investments, including by incorporating transparency protocols, collection of mapping data, state challenge processes, and the monitoring of project performance;

Whereas consistent with the Infrastructure Act, states should design rules for awarding broadband grants based upon national guidelines on unserved and underserved locations based on the maps the FCC is required to create under the Broadband Deployment Accuracy and Technological Availability Act, 47 U.S.C. § 641 et. seq. (“Broadband DATA Act”);

Whereas the GAO has reported to Congress that the FCC is taking necessary steps to accurately map locations that lack access to broadband and is developing a process to work with state, local, and tribal entities to ensure the accuracy, transparency and equitable distribution of funds relying upon the Broadband DATA Act maps; *and*

Whereas broadband mapping by state and federal entities should be guided by the FCC’s rules as established under the Broadband DATA Act and that state and local mapping efforts should use consistent mapping parameters as established by the FCC; *now therefore be it*

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2022 Winter Policy Summit in Washington, DC, urges the FCC, NTIA, and other federal agencies awarding broadband funding to work with states and community stakeholders to ensure that broadband grant awards are uniform; *and be it further*

Resolved that NARUC urges the FCC, NTIA, other federal agencies and states that are awarding broadband funding to use the FCC's guidance on broadband mapping and the collection and sharing of program performance data, so that states can consistently determine and design programs to reach remaining unserved and underserved locations based on national guidelines for defining such locations; *and be it further*

Resolved that NARUC urges the FCC, NTIA and other federal agencies awarding broadband funding to adopt GAO's guidance regarding data collection, tracking expenditures of federal dollars, and monitoring the progress and overall performance of federally-funded broadband projects.

Passed by the Committee on Telecommunications February 15, 2022.

Adopted by the NARUC Board of Directors on February 16, 2022.

WC-1

Resolution on Water Equity

Whereas the COVID-19 pandemic has reinforced how crucial safe and reliable drinking and wastewater service is to protect public health. Water is the only utility service that is ingested, and it is critical for daily living, sanitation, medical care, and fire prevention;

Whereas the COVID-19 pandemic has had devastating economic consequences on many families and businesses, which means more customers are struggling to pay their utility bills;

Whereas the essential nature of water and wastewater service, combined with the reality that many utility customers are struggling in today's economic climate, highlight the need for regulators, utilities, and policy leaders to focus on water equity;

Whereas water equity means ensuring that everyone has access to water that is safe, reliable, and affordable. As a nation, we must advance water equity to ensure customers of all income levels have access to high-quality water;

Whereas water equity means safe drinking water. This means ensuring that the water when it reaches people's homes and businesses complies with all applicable state and federal laws and regulations and is safe to drink;

Whereas the path to safe drinking water and wastewater service involves requiring all jurisdictional utilities, regardless of ownership type, to meet the same high-quality standards, disclose whether they are meeting those standards, and face appropriate consequences if they do not. There are over 1,500 drinking water systems deemed to be in "serious" non-compliance of the Safe Drinking Water Act ("SDWA") and active enforcement of the provisions of the SDWA is necessary to protect overall public health. This includes requirements to test and treat for emerging contaminants (like per- and polyfluoroalkyl substances, otherwise known as PFAs) and replace lead service lines;

Whereas water equity means reliable drinking water, meaning that water and wastewater service should be there when customers need it;

Whereas reliable water and wastewater service can be realized through advanced planning and prudently investing in infrastructure. As set forth in the National Association of Regulatory Utility Commissioners ("NARUC") 2018 [*Resolution on Accountability for All Water and Wastewater Systems*](#), regulators should consider whether their state's water and wastewater utilities are required to (1) create long-term infrastructure replacement plans; (2) develop security plans for preventing and responding to cyber and physical attacks; (3) engage in physical hardening to withstand extreme weather events; and (4) plan for short or long-term supply disruption issues. The preparation required to develop these plans makes it more likely that utilities will minimize outages when the worst happens, thereby enhancing system reliability.

Whereas in addition to advanced planning, it is important to encourage and incentivize prudent, incremental, and consistent investment in water and wastewater infrastructure. Steadily remediating aging infrastructure and proactively maintaining existing system infrastructure not only increases system reliability, but also keeps prices stable by allowing necessary costs to be incurred gradually;

Whereas water equity means that water and wastewater service should be affordable, in that customers are able to pay for these essential services;

Whereas helping struggling customers pay their water and wastewater bills takes the combined effort of utilities, regulators, policy leaders, and communities. Potential pathways to address affordability include: (1) creating a permanent federal low-income assistance program for water and wastewater customers that is funded at the same level as other utility sector assistance programs; (2) leveraging technology and enhancing customer outreach to increase awareness and participation in existing and new customer assistance programs; (3) addressing whether state laws and regulations are able to authorize rate-funded assistance programs; (4) encourage utilities during rate cases and cost of service studies to explore and implement rate designs that consider affordability such as reviewing the ratio of fixed to volumetric charges or creating separate lifeline rates; (5) exploring whether consolidated pricing and/or consolidated water and wastewater revenue requirements assist utilities in leveraging economies of scale to achieve price stability by spreading costs across a broader customer base; and (6) addressing water sector fragmentation by encouraging and incentivizing voluntary partnerships and consolidation;

Whereas water equity cannot be fully realized without addressing water sector fragmentation in the United States. There are tens of thousands of water and wastewater utilities across the country, many of which serve small and, in many cases, declining customer populations. Without economies of scale, many small utilities are unable to invest in infrastructure, deploy new technology, and address affordability issues. Water sector fragmentation increases costs and often results in decreased water quality, perpetuating environmental problems and causing disproportionate harm to low-income communities. Encouraging and incentivizing small and struggling utilities to voluntarily partner with a more experienced regulated water utility is one way they can obtain the resources necessary to provide customers with safe and reliable water service at stable prices;

Whereas achieving water equity centered around the foregoing should be a priority as the country recovers from the COVID-19 pandemic. Successfully balancing safety, reliability, and affordability is essential because prioritizing any one aspect of water equity over the others can result in water and wastewater systems that are unreliable and out of compliance with health and safety regulations or inaccessible from an affordability standpoint; and

Whereas the goal of water equity is not only to move closer to a country where everyone has access to quality water service, but also toward one where everyone can count on water service that is safe, reliable, and affordable; *now therefore be it*

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2022 Winter Policy Summit in Washington, DC, supports and

encourages regulators, utilities, and policymakers to consider the paths to water equity identified herein; *and be it further*

Resolved, that NARUC recommends that economic regulators consider and adopt as many as appropriate of the regulatory mechanisms identified herein as a means to achieving water equity; *and be it further*

Resolved, that the Committee on Water stands ready to assist economic regulators with implementation of any of the paths to water equity set forth within this resolution.

Passed by the Committee on Water February 14, 2022.

Adopted by the NARUC Board of Directors on February 16, 2022.