

I. Committee on Electricity

EL-1 *Resolution on Improving Resilience, Sustainability and Security of Clean Energy Supply Chains*

Whereas numerous electric utilities, corporations, local and state government entities, and the federal government have established clean energy and climate policies and goals that will rely on stable and resilient energy resources, including clean and renewable energy technologies, transmission and distribution modernization, resource diversity, and electrification of the transportation sector;

Whereas resilient and diverse clean energy supply chains are necessary to meet these clean energy policies in a cost-effective and timely manner;

Whereas increased domestic production and manufacturing of clean energy technologies, including their components and raw materials, would expand access to diverse supply sources that can keep prices stable and competitive over the long term, allow more timely installation of technologies, and bring other benefits in terms of economic development and energy independence, thereby benefitting customers;

Whereas clean energy technologies such as solar, wind, and batteries require large amounts of raw and processed materials and components that are currently import dependent. Challenges currently exist in clean energy supply chains due to heavy market concentration of critical raw material mining, processing and component manufacturing operations overseas, international trade disputes, manufacturing disruptions and logistics challenges, labor shortages and workforce development issues, efficient implementation of the Uyghur Forced Labor Prevention Act and environmental concerns (Bipartisan Policy Center, <https://bipartisanpolicy.org/blog/getting-serious-about-critical-materials-the-iiija-and-energy-act-of-2020/>);

Whereas uncertainty and disruption of these supply chains can and do delay clean energy projects, impede clean energy goals of states, companies, and electric utilities; increase costs for customers; and left unaddressed, create national and energy security risks;

Whereas the federal government recently took steps to strengthen domestic supply chains for clean energy, including provisions in the Energy Act of 2020 and the Infrastructure Investment and Jobs Act (“IIJA”) of 2021. These provisions promote research, development, demonstration, and commercial activity (“RDD&CA”) to create substitutes for critical minerals and rare earth elements, enhance recycling and re-use capabilities, and improve capabilities for domestic mining and manufacturing, including use of new technologies and beneficial use of coal ash. In March 2022, the Biden Administration invoked the Defense Production Act to support the production and processing of minerals and materials used for large capacity batteries used in the power and transportation sectors (White House, Mar. 31, 2022, [Memorandum on Presidential Determination Pursuant to Section 303 of the Defense Production Act of 1950, as amended | The White House](#)).

Whereas the U.S. Department of Energy has promoted battery materials processing and manufacturing programs, development of critical minerals refining, and RDD&CA (US DOE, February 14, 2022 press release, [DOE Launches \\$140 Million Program to Develop America’s](#)

[First-of-a-Kind Critical Minerals Refinery | Department of Energy](#); see also US DOE, Office Energy Efficiency and Renewable Energy, Critical Minerals Hub, [Critical Materials Hub | Department of Energy](#); and [Funding Opportunities | Department of Energy](#).) In addition, the US Department of Energy has recently deployed new funding for domestic clean energy manufacturing, established the Office of Manufacturing and Energy Supply Chains (US DOE, February 9, 2022 press release, [DOE Optimizes Structure to Implement \\$62 Billion in Clean Energy Investments From Bipartisan Infrastructure Law | Department of Energy](#)), and issued a February 2022 report, “America’s Strategy to Secure the Supply Chain for a Robust Clean Energy Transition,” identifying 60 actions intended to “ensure security and increase our energy independence”; (US DOE, February 24, 2022 press release [DOE Releases First-Ever Comprehensive Strategy to Secure America’s Clean Energy Supply Chain | Department of Energy](#));

Whereas effective implementation of these initial federal actions, including active outreach to engage the National Association of Regulatory Utility Commissioners (“NARUC”) and other stakeholders, will be critical to their long-term success. Moreover, additional steps, including industrial manufacturing, tax policies, and clean energy purchasing practices by utilities, governmental entities, and corporate buyers, can strengthen domestic supply chains for clean energy; *now, therefore be it*

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2022 Summer Policy Summit in San Diego, California, finds it imperative for state and national energy independence and security that the U.S. Congress and federal government continue to enact and implement comprehensive policies and programs to expeditiously improve the resilience and sustainability of clean energy supply chains and diverse technologies, through increased, sustained, and responsible investment in RDD&CA and policies to advance domestic clean energy component manufacturing and capabilities for mining, manufacturing, and processing of critical minerals and rare earth elements; such that NARUC:

- Supports federal policies and programs that promote and support supply chain diversity and US production and processing capabilities, such as tax incentives or other policies to encourage domestic manufacturing of clean energy components and technologies, *as well as* domestic production and processing of critical materials, including enhancing recycling and re-use capabilities, beneficial use of coal ash or other byproducts;
- Acknowledges the important role of consistent supply chain disclosures to support buyers of clean energy technologies, including the state and federal government and utilities, in supporting increased responsible manufacturing of clean energy technologies in the United States and other economies with strong environmental, governance, and social profiles; and
- Recognizes the importance of collaboration with the federal government, states, tribes, utilities, academia, industry, non-governmental organizations, communities and consumers on clean energy supply chain policy development and implementation, including research, funding opportunities, and capacity building for states, utilities, and other partners.

Passed by the Committee on Electricity on July 19, 2022

Adopted by the NARUC Board of Directors on July 20, 2022