## Substantive Resolutions Passed by the

### **NARUC Board of Directors**

at the

## July 16 – 19, 2023 NARUC Summer Policy Summit

## In Austin, Texas

If you are interested in a particular resolution, you should read the <u>entire</u> draft and not rely on the truncated description in the Table Contents.

If you have any questions, call or email Brad Ramsay – NARUC GC at 202.257.0568 or jramsay@naruc.org

#### Four Substantive Resolutions Passed:

#### **Committee on Telecommunications**

TC-1 Resolution Supporting Permanent Funding for the Affordable Connectivity Program

TC-2 Resolution Proclaiming Digital Connectivity and Lifeline Awareness Week

TC-3 Resolution Regarding the Use of Communications Equipment Produced by Firms Posing a National Security Risk

#### **Committee on Water**

WTR 1- Resolution Supporting the Integration of Hydropower as a part of Water/Wastewater/Stormwater Facilities Development, Expansion and Maintenance

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#### I. Committee on Telecommunications

#### TC-1 Resolution Supporting Permanent Funding for the Affordable Connectivity Program

Sponsor Commissioner Charles (MA)

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Resolution urges Congress to provide permanent annual funding for the federal Low-Income Affordable Connectivity Program.

#### TC-2 Resolution Proclaiming Digital Connectivity and Lifeline Awareness Week

Sponsor Commissioner Charles (MA)

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Resolution recommends the expansion of Lifeline Awareness Week to incorporate access to broadband services, and therefore urges the FCC and state commissions, NASUCA, eligible telecommunications carriers, to proclaim the first full week in September following the week of Labor Day as National Digital Connectivity and Lifeline Awareness Week, and further initiate and promote outreach events during this special week that support broadband and telephone discounts across America.

# TC-3 Resolution Regarding the Use of Communications Equipment Produced by Firms Posing a National Security Risk

Sponsor Commissioner Schram (NE)

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Resolution encourages the FCC to work with states to identify equipment and services produced by firms posing a national security risk in communications networks so that states can be better-positioned to understand which communications providers may have insecure equipment and also recommends that federal, state, or local governmental body weigh carrier progress in removing suspect equipment when determining universal service support, broadband deployment gratns.

#### II. Committee on Water

# WTR 1- Resolution Supporting the Integration of Hydropower as a Part of Water/Wastewater/Stormwater Facilities Development, Expansion and Maintenance

Sponsor Commissioner Yanora (PA)

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Resolution urges states to support and facilitate the integration of hydropower as a part of Water/Wastewater/Stormwater facilities development, maintenance, and expansion and recommends any DOE (or other federal agency) funding programs designed to support the integration of hydropower into water systems, provide the maximum flexibility to states to support integration of hydropower, and to support the anticipated positive impacts on water and energy prices, infrastructure, and other associated environmental and public benefits.

#### TC-1 Resolution Supporting Permanent Funding for the Affordable Connectivity Program

Whereas the federal government has made a historic investment in the Affordable Connectivity Program ("ACP" or "Program") implemented by the Federal Communications Commission ("FCC") to increase access to affordable high-speed broadband for eligible low-income families;

Whereas the Infrastructure Investment and Jobs Act ("Infrastructure Act") funded the \$14.2 billion budget for the ACP, including specifically designated funds to administer and promote the Program;

Whereas the Infrastructure Act reflects that the federal government and states have been long-term partners in jointly implementing and promoting programs that increase access to broadband;

Whereas the Infrastructure Act provides eligibility for ACP to all households that are currently enrolled in Lifeline; the U.S. Department of Agriculture's Supplemental Nutrition Assistance Program and the Special Supplemental Nutrition Program for Women, Infants, and Children; and the Medicaid Program implemented by the U.S. Department of Health and Human Services;

Whereas in July 2022, NARUC passed a resolution urging state commissions, the FCC, and the Universal Service Administrative Company ("USAC") to work collaboratively with federal and state agencies that implement programs whose target participants are eligible for Lifeline and ACP to promote awareness of the Program among eligible households;

Whereas as of June 2023, approximately 19 million eligible households are enrolled in ACP, which represents 41 percent of the estimated 46.3 million households eligible for ACP;

Whereas ACP is a temporary program that runs from April 2022 until the program expends all of its funds;

Whereas as of June 2023, there are \$8.6 billion of remaining ACP appropriations available for disbursement;

Whereas ACP is expected to disburse all remaining appropriations by the second quarter of 2024;

Whereas establishing a new federal assistance program was a complex process at the federal, state, territory, tribal and local levels. It required an extensive amount of effort by the FCC, USAC, states, internet service providers, and community organizations to get the program up and running, ensure that customers were aware of the program, review applications, and verify eligibility;

Whereas the lack of a permanent low-income broadband assistance program with government oversight is troubling because universal high-speed internet access is essential for a well-functioning economy; and

Whereas should the ACP expire without establishing a permanent fund, broadband customers who have relied on ACP to help pay their bills will suffer without this assistance; now, therefore be it

*Resolved* that the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2023 Summer Policy Summit in Austin, Texas, urges Congress to provide permanent annual funding for a federal Low-Income Affordable Connectivity Program.

Passed by the Committee on Telecommunications on July 18, 2023 Passed by the NARUC Board of Directors on July 19, 2023

#### TC-2 Resolution Proclaiming Digital Connectivity and Lifeline Awareness Week

Whereas in today's highly interconnected world, telephones provide a lifeline to emergency help and a vital link to friends and family; and the Lifeline program provides a discount to eligible low-income customers on their monthly phone bill;

Whereas on July 22, 2009, the National Association of Regulatory Utility Commissioners ("NARUC") Board of Directors resolved to proclaim the first full week in September after Labor Day as National Telephone Discount Lifeline Awareness Week;

Whereas since 2009, the Federal Communications Commission, NARUC, and the National Association of State Utility Consumer Advocates ("NASUCA") have, every September, promoted Lifeline subscribership by promoting comprehensive outreach to targeted communities;

Whereas two decades into the new millennium, it has become clear that access to affordable broadband internet service has become a necessity;

Whereas every industry and educational institution directly relies on computing or other digital equipment, and communications in critical aspects of their operations;

Whereas because access to broadband is necessary for students to interface with their teachers, for any member of the public to file comments before any federal agency or to seek or apply for many jobs, or to complain to Congress or local government, this means affordable subscription prices, access to connected devices, and digital literacy are vital for the future of the country;

Whereas despite its obvious importance, broadband is still far from ubiquitous – millions of our nation's households do not yet have access to adequate broadband service; and

Whereas increasing awareness of broadband discounts and related subsidy programs can only help promote broadband adoption, it is time to expand the emphasis of Lifeline Awareness Week and revise the name to reflect that expanded emphasis is appropriate; now therefore be it

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2023 Summer Policy Summit in Austin, Texas, recommends the expansion of Lifeline Awareness Week to incorporate access to broadband services, and therefore urges the Federal Communications Commission and state commissions, the National Association of State Utility Consumer Advocates, and eligible telecommunications carriers to proclaim the first full week in September after the week of Labor Day as National Digital Connectivity and Lifeline Awareness Week, and further initiate and promote outreach events during this special week that support broadband and telephone discounts across America.

Passed by the Committee on Telecommunications on July 18, 2023 Passed by the NARUC Board of Directors on July 19, 2023

# TC-3 Resolution Regarding the Use of Communications Equipment Produced by Firms Posing a National Security Risk

Whereas our communications networks play a critical role in our nation's security, economy, and have a direct impact on the integrity of other interdependent critical infrastructure systems including vital emergency services;

Whereas, as such, these networks are vulnerable to malicious attacks, disruptions, and cybersecurity intrusions;

Whereas, cybersecurity incidents and the potential exploitation of critical infrastructure, financial institutions, and internet of things ("IoT") devices pose significant risks to our governmental, business, and consumer users;

Whereas in 2019, President Donald Trump issued an executive order that declared a national emergency and prohibited United States companies from using telecommunications equipment produced by firms posing a national security risk;

Whereas in 2022, President Joe Biden extended the executive order due to the continued threat to national security, foreign policy, and the economy of the United States;

Whereas Congress has enacted several laws aimed at protecting national security and promoting secure communications networks including the National Defense Authorization Act for Fiscal Year 2018 and 2019 ("2018 NDAA and 2019 NDAA"), which included provisions specifically barring the Department of Defense from using telecommunications equipment or services produced or provided by certain companies identified has posing a national security threat, and the Secure Equipment Act 2021, which required the Federal Communications Commission ("FCC") to enact rules prohibiting the authorization of "covered" equipment and services ("Covered List") in its rules and procedures associated with the FCC's equipment authorization program;

Whereas Section 5 of the Secure and Trusted Communications Networks Act of 2019 also directed the FCC to require providers of advanced communications service to report and certify annually whether the provider has purchased, rented, leased, or otherwise obtained any covered communications equipment or service on the Covered List;

Whereas in 2019, in WC Docket No. 18-89, the FCC adopted rules prohibiting federal universal service support to be used to purchase or obtain any equipment or services produced or provided by a covered company posing a national security threat to the integrity of the communications networks;

Whereas on February 15, 2023, the National Association of Regulatory Utility Commissioners ("NARUC") passed a resolution urging Congress to extend the FCC's spectrum authority beyond March 2023 and to specify that a portion of future spectrum auction proceeds should be used to fund the Section 5 so-called "Rip and Replace" program to remove covered equipment from networks;

Whereas federal rules, at 2 C.F.R. § 200.2016, also prohibit the use of federal loan or grant funds to procure or obtain equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;

Whereas on December 27, 2020, in the Consolidated Appropriations Act, Congress appropriated \$1.9 billion to the FCC for the Secure and Trusted Communications Networks Reimbursement Program;

Whereas according to FCC estimates, were the FCC to fund all reasonable and supported cost estimates in the approved applications, the Reimbursement Program would require approximately \$4.98 billion, reflecting a \$3.08 billion shortfall in the appropriation for the Reimbursement Program;

Whereas notwithstanding the efforts to rip out and replace equipment and services from the Covered List to safeguard our communications networks, according to the FCC's March 1, 2023, Public Notice in WC Docket No. 18-89, approximately 79 communications providers are reported to have covered equipment in their existing networks, which in turn, continues to pose an unacceptable risk to national security;

Whereas the FCC, in ET Docket No. 21-232 and EA Docket No. 21-233, Report and Order, Order, and Further Notice of Proposed Rulemaking, adopted revisions to its equipment authorization program to prohibit authorization of equipment that has been identified on the List of Equipment and Services Covered by Section 2 of the Secure Networks Act, and has sought comments on additional measures to eliminate potential risks in the supply chain of communication equipment; and

Whereas state and federal partners need to work together to determine where communications providers are using equipment and services from the Covered List in their networks and assess the extent of the security risk to other critical infrastructure, state and local governmental entities, businesses, and to consumers; now therefore be it

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2023 Summer Policy Summit in Austin, Texas, encourages the FCC to work with the Department of Commerce and federal national security agencies responsible for identifying equipment and services produced by firms posing a national security risk in communications networks so that state commissions and broadband offices are informed and updated on changes so they can be better-positioned to understand which communications providers may have equipment in their network that poses a national security risk; and be it further

Resolved that NARUC recommends that federal, state, or local governmental bodies providing universal service support, broadband deployment support, or any other form of grant funding consider including evaluation criteria that disincentivizes participating carriers that may utilize in its network equipment on the FCC's Covered List; and be it further

Resolved that NARUC recommends that no federal, state, or local governmental body providing universal service support, broadband deployment support, or any other form of grant funding administer such funding without full information and due consideration to any restrictions that prohibit the use of equipment or services a communications company may utilize in its network, including, where applicable, equipment on the FCC's Covered List.

Passed by the Committee on Telecommunications on July 18, 2023 Passed by the NARUC Board of Directors on July 19, 2023

# WTR 1- Resolution Supporting the Integration of Hydropower as a part of Water/Wastewater/Stormwater Facilities Development, Expansion and Maintenance [6/13 11:23 vz – Jhughes/RYnora/KSacavage]

Whereas the National Association of Regulatory Utility Commissioners ("NARUC") acknowledged the critical economic and societal importance of the water-energy nexus relationship on November 19, 2014;<sup>1</sup>

Whereas NARUC vigorously supported the enactment of 42 U.S.C. 10368(d), The Water and Energy Research Integration Act of 2019 directing the U.S. Department of Energy to integrate water considerations into its energy research, development, and demonstration programs and projects, specifically by increasing water use efficiency;

Whereas the treatment and delivery of water and wastewater services requires a significant amount of energy, representing approximately two percent of total energy use in the United States,<sup>2</sup> a share that could rise significantly as a result of the antiquated and inefficient nature of U.S. water and wastewater infrastructure, increasing demand for expanded utility resources, supply chain constraints, and lack of state and municipal financial resources;

Whereas numerous research and government organizations, including the U.S. Department of Energy, have highlighted a range of opportunities for companies, including regulated utilities in both sectors to work together and with regulatory counterparts at the state and federal levels to provide efficiencies in water and energy usage in their respective industries;

Whereas Congress enacted The Infrastructure Investment and Jobs Act (Public Law 117-58, November 15, 2021), providing approximately 50 billion dollars for the repair, improvement, and expansion of water and wastewater infrastructure and incorporation of renewable energy resources;

Whereas the U.S. Environmental Protection Agency codified the Revised Cross-State Air Pollution Update Rule (Revised Rule), which significantly limits greenhouse gas emissions from generation facilities, resulting in rising energy costs;<sup>3</sup>

Whereas many states are innovating and adopting new technological and environmental quality standards that are aimed at promoting efficient water usage and increasing electricity generation through incorporating zero-emission hydropower into water/wastewater/stormwater infrastructure;

Whereas efforts by water utilities to enhance the nexus for optimal water-energy efficiency by retrofitting water infrastructure to incorporate low-impact hydroelectric technology to capture the

2 Energy Efficiency for Water Utilities (U.S. EPA, 2019). Retrieved from: <a href="https://www.epa.gov/sustainable-water-infrastructure/energy-efficiency-water-utilities">https://www.epa.gov/sustainable-water-infrastructure/energy-efficiency-water-utilities</a>.

<sup>1</sup> Resolution Regarding the Water-Energy Nexus (November 19, 2014).

<sup>86</sup> Fed. Reg. 23,054 (April 30, 2021). The Final Rule was affirmed on March 3, 2023; <u>See Midwest Ozone Group v. Environmental Protection Agency, Et. Al. On Petition for Review of a Final Action of the Environmental Protection Agency</u> (U.S. Court of Appeals, D.C. Cir., No. 21-1146).

kinetic energy of flowing water, integrating "smart" information and communication technologies, and using a greater share of alternative energy to fuel operations, have already yielded measurable reductions in the amount of energy used to deliver water and wastewater services; *and* 

Whereas states possess many of the tools needed to implement policies, programs, and incentives, to fully employ the water-energy nexus for the purposes of improving and expanding water systems by incorporating zero-emission hydropower. Such incorporation energy will also yield more reliable service, stable rates for consumers, and lower carbon emissions for states and the country as a whole. now, therefore be it

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2023 Summer Policy Summit in Austin, Texas, urges states to support and facilitate the integration of hydropower as a part of water/ wastewater/ stormwater facilities development, maintenance, and expansion; and be it further

Resolved that, as the Department of Energy and other cooperating federal agencies determine appropriate distribution of funds to support the integration of hydropower into water systems, NARUC recommends that the federal rules provide the maximum flexibility to states to support integration of hydropower, and the positive impacts on water and energy prices, infrastructure, and associated environmental and public benefits to be achieved.

Passed by the Committee on Water on July 18, 2023
Passed by the NARUC Board of Directors on July 19, 2023