

DRAFT RESOLUTIONS
FOR
NARUC COMMITTEE CONSIDERATION
AT THE
2021 ANNUAL MEETING AND EDUCATION
CONFERENCE
OF THE
NATIONAL ASSOCIATION OF
REGULATORY UTILITY COMMISSIONERS

Revised 11/06/21 2:30 AM

NOTE – HONORARY RESOLUTIONS ARE NOT INCLUDED IN THIS PACKET

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.

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I. Committee on Electricity

EL-1/ERE-2 Resolution on Increasing the Role of Energy Efficiency in Achieving Cost-Effective Energy Supply and Decarbonization [Received 11/06 4:57 from kolesky@puc.nv.gov] **Page 5**

Resolution recommends the principles to guide NARUC member States – see description under ERE-2 below

II. Committee on Energy Resources and the Environment

ERE-1 Resolution on the Complementary Roles of Governments, Utility Regulators, and Utilities in Advancing Electrification [Received 11/06 4:57 PM from kolesky@puc.nv.gov] **Page 3**

Resolution recognizes and supports the distinct and complementary roles played by state and federal governments, public utility regulators, and public utilities in fostering affordable electrification.

ERE-2 Resolution on Increasing the Role of Energy Efficiency in Achieving Cost-Effective Energy Supply and Decarbonization [Received 11/06 4:57 from kolesky@puc.nv.gov] **Page 5**

Resolution recommends the principles to guide NARUC member States: [1] utilities & commissions should maximize the impacts of energy efficiency programs for controlling energy costs and cost-effectively achieving decarbonization; [2] States should leverage utilities' relationships with their customers to help effectively implement energy efficiency programs; [3] Planning frameworks and modeling tools should be designed to reflect research findings on energy efficiency costs and decarbonization impacts and ensure energy efficiency opportunities are accurately and appropriately considered in utility and Commission decisions related to resource planning; and [4] Utilities should explore options to provide customers with real-time consumption data.

III. Committee on Telecommunications

TC-1 Resolution Supporting Energy Company Communications Infrastructure for Broadband Expansion Sponsor: Presley [10/25 9:55 AM from Brandon.Presley@psc.ms.gov] **Page 7**

Resolution encourages (1) regulators and industry to facilitate deployment by utilities of wired/wireless broadband networks for critical grid communications, (2) energy companies to consider sharing wired and wireless “middle mile” communications infrastructure to support expansion of consumer broadband access and, with respect to any wireless networks, coordinate to reduce equipment costs and enable provision of network services to other utilities with overlapping service territories, and (3) State legislatures and commissions to identify and mitigate any overly burdensome legislative or regulatory obstacles.

III. Committee on Water

WA-1 Resolution Encouraging Permanent Low-Income Household Water Assistance Program **Page 10**
Sponsor: Commissioner Bocanegra [Received 11/03 10.37 pm from Kelly.Aves@illinois.gov]

Resolution urges Congress and the Administration to support the development and deployment of permanent low-income household drinking water and wastewater assistance programs, funded at levels equivalent to other low-income utility assistance programs, and, administered at the Department of Health and Human Services and the Administration for Children and Families – not at the EPA.

NOTE Honorary resolutions are not circulated prior to the meeting and are not included in this substantive resolution packet.

ERE-1 Resolution to Recognize the Complementary Roles of Governments, Utility Regulators, and Utilities in Advancing Electrification

Whereas data from the [United States Environmental Protection Agency](#) show that transportation accounts for 29% of greenhouse gas emissions in the United States, with fossil fuels used for heat accounting for 13% of emissions, for a combined impact of 42%, demonstrating that the electrification of transportation and heating with low-or-no carbon electricity is an opportune pathway to abate climate change; and

Whereas, through years of investments in electric energy efficiency, renewable generation, and other carbon-reducing technologies, the electric sector currently accounts for a comparative 25% of U.S. greenhouse gas emissions;

Whereas the relative costs of electricity, transportation, and heating fuels play an important role in customers' decisions to adopt beneficial electrification technologies;

Whereas anything that increase customer costs of electricity relative to transportation and heating fuels is likely to depress the uptake of electrification programs;

Whereas subsidizing electrification programs through the customer's electric bill will only increase electricity costs relative to heating and transportation fuel costs;

Whereas adding electric load for electrified cars and heating systems will increase the need for clean power resources and has the potential to require expanded and upgraded transmission and distribution networks, especially where load is not controlled;

Whereas if new revenue from increased electricity consumption outpaces the cost of serving that increased consumption, electricity rates will decrease;

Whereas advancing beneficial electrification swiftly, efficiently, and sustainably requires governments and utility regulators to take on complementary roles;

Whereas state and federal governments can help ensure that policies and programs send price signals to reduce the carbon intensity of transportation and heating;

Whereas state and federal governments can also ensure that those price signals are strong, sustainable, equitable, and predictable enough to induce market transformation and create a just, smooth, and long-term demand trajectory for equipment powered with clean electricity;

Whereas the federal government is uniquely capable of supporting market transformation through national certification, benchmarking, and labeling programs to expedite the demand trajectory for highly efficient electric equipment;

Whereas state utility regulators are uniquely capable of providing thoughtful oversight to ensure that utility investments that are focused on beneficial electrification prioritize serving new load with reliable, clean power at the lowest reasonable cost;

Whereas electric utilities are uniquely capable of managing the cost to serve electric load, including exploring rates and investments that improve grid flexibility and allow new load to be served without increasing peak demand;

Whereas reducing carbon from the heating and transportation sectors benefits society at large through public health benefits, an improved economy, and a cleaner environment; *and*

Whereas many of the benefits of electrifying transportation and heating fall outside of the electric utility sector and therefore it should be a priority for government, through broad policy and administration, to fund incentives for beneficial electrification and to take measures to make electric vehicles and electric heating equipment affordable for all consumers today and in the future, for example by removing up-front barriers to their adoption; *now, therefore be it*

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2021 Annual Meeting and Education Conference in Louisville, Kentucky, recognizes that state and federal governments, public utility regulators, and public utilities have distinct and vital roles to play in fostering clean, affordable, and cost-effective electrification and encourages their complementary efforts.

*Sponsored by the Committee on Energy Resources and the Environment.
Adopted by the NARUC Committee of the Whole on November XX, 2021*

ERE-2 Resolution on Increasing the Role of Energy Efficiency in Achieving Cost-Effective Energy Supply and Decarbonization

Whereas the NARUC Committee on Energy Resources and the Environment focuses on energy efficiency, environmental protection, renewable and distributed resources, consumer protection, low-income weatherization and assistance, and public interest research and development;

Whereas Utilities and State Utility Commissions maintain responsibility for supplying energy adequate to meet customer requirements at the lowest reasonable cost;

Whereas investing in the lowest reasonable cost, most cost-effective energy supply first can reduce the cost to ratepayers of meeting energy requirements;

Whereas energy efficiency programs that incent ratepayers to reduce energy consumption through technology adoption and behavior change (“energy efficiency”), are examples of the lowest-cost options available to meet customers’ energy requirements (See studies from Lawrence Berkeley National Laboratory; American Council for an Energy Efficient Economy; State and Local Energy Efficiency Action Network);

Whereas energy efficiency can allow participating customers to experience immediate benefits from reduced energy bills, while simultaneously serving as a low-cost resource to utilities;

Whereas all States have significant potential to achieve cost-effective savings from energy efficiency, frequently in excess of savings levels achieved through current programs (See EPRI study);

Whereas 232 individual utilities are preparing to meet State 100% carbon-reduction requirements, 38 individual utilities have adopted a voluntary carbon-reduction target, and 29 individual utilities have adopted a voluntary 100% carbon-reduction target (SEPA Utility Carbon Reduction Tracker, Retrieved October 2021);

Whereas numerous studies have identified the pursuit of increased energy efficiency as a core component of the most cost-effective paths to achieving future carbon reductions, by serving as a low-cost means to reduce the amount of required supply-side investment (See studies from the International Energy Agency; The National Academies of Science, Engineering, and Medicine; Princeton University);

Whereas, in addition to its role as a low-cost energy supply option, energy efficiency is also a large and low-cost carbon reduction resource, and if tapped in substantial quantities, can contribute to achieving carbon reductions at the least cost to utility ratepayers;

Whereas numerous federal government and state programs and standards already exist and can be leveraged to support and accelerate energy efficiency; *now, therefore be it*

Resolved that the National Association of Regulatory Utility Commissioners (“NARUC”), convened at its 2021 Annual Meeting in Louisville, Kentucky, recommends the following principles to guide NARUC member States:

[1] Utilities and States should take action to maximize the impacts of energy efficiency programs for controlling energy costs and, where applicable, cost-effectively achieving decarbonization;

[2] States should leverage utilities' relationships with their customers to help effectively implement energy efficiency programs and achieve maximum impacts;

[3] Planning frameworks and modeling tools should be designed to reflect research findings on energy efficiency costs and decarbonization impacts and ensure energy efficiency opportunities are accurately and appropriately considered in utility and Commission decisions related to resource planning; and

[4] Utilities should explore options to provide customers with real-time consumption data, which can help encourage behavior-based savings and encourage deeper participation in energy efficiency offerings.

Sponsored by the Committee on Energy Resources and the Environment.

Adopted by the NARUC Committee of the Whole on November XX, 2021

TC-1 Resolution Supporting Energy Company Communications Infrastructure for Broadband Expansion

Whereas electric utilities are considering or making investments in their own private wired and wireless broadband communications infrastructure to enhance reliability, security, and modernization of the grid (as discussed in the Utility Rural Broadband Playbook 09/16/2021 edition);

Whereas the lack of broadband options in some communities reflects the reality of the high cost of rural buildout and the customer density-dependent business models of traditional consumer broadband offerings, a challenge similar to that faced by efforts to bring electric service to rural communities 75 years ago;

Whereas in order to safely and efficiently modernize the grid to accommodate the two-way flow of electricity increasingly required by distributed and intermittent energy resources, and to realize the manifold benefits of new digital technologies, utilities must obtain broadband capabilities for mission critical grid control applications, and some utilities will opt to build their own secure and resilient wired and/or wireless broadband networks for this purpose;

Whereas in constructing wired and/or wireless private broadband networks for grid modernization, utilities will deploy certain infrastructure that provides “middle mile” connectivity (not extending to the customer premises), such as fiber optic cable, radio towers, power connections, etc.;

Whereas an energy company constructing such a network could share or augment certain “middle mile” infrastructure for lease by a consumer Internet Service Provider (ISP), leveraging the energy company infrastructure to reduce the cost of bringing broadband internet access to unserved or underserved communities;

Whereas those communities in which the “leveraging” approach is implemented will benefit from both the increased availability of consumer broadband and the increased grid efficiency, reliability, safety and security made possible by the new energy company broadband network deployed for critical grid communications;

Whereas the NARUC supports “non-traditional broadband providers, electric co-ops, municipal utilities, and IOUs providing service in unserved and underserved areas in order to quickly close the broadband availability gap.” (NARUC Resolution Supporting Recommendations from the Broadband Expansion Task Force, July 27, 2021); *now therefore be it*

Resolved that, the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2021 Annual Meeting and Education Conference, encourages regulators and industry to support and facilitate the deployment by utilities of wired and wireless secure, reliable broadband networks for critical grid communications; *and be it further*

Resolved that, in the planning of such networks, energy companies should to the extent that they are authorized and it is feasible, consider sharing or making available wired and wireless “middle mile” communications infrastructure to support the expansion of consumer broadband access; *and be it further*

Resolved that, to the extent feasible, and if determined to be in the best interest of customers, during the planning of any wireless portion of such networks, energy companies should coordinate to reduce equipment costs and enable provision of network services to other utilities with overlapping service territories; *and be it further*

Resolved that, to the extent permissible, State legislatures and commissions should identify and mitigate any overly burdensome legislative or regulatory obstacles to the expeditious deployment of energy company wired and wireless networks for critical grid communications and work to encourage the leveraging of “middle mile” infrastructure for broadband expansion in unserved and underserved communities.

Sponsored by the Committee on Telecommunications.

Adopted by the NARUC Board of Directors on November , 2021

WA-1 Resolution Encouraging Permanent Federal Low-Income Household Water Assistance Program

Whereas on March 13, 2020, President Trump declared a national emergency in response to COVID-19. This followed the U.S. Department of Health and Human Services (HHS) declaration of a nationwide public health emergency on January 31, 2020, pursuant to 42 U.S.C. 247d, and the World Health Organization (WHO) declaration of a pandemic on March 11, 2020;

Whereas on December 27, 2020, the Consolidated Appropriations Act of 2021 became law and provided \$638 million to the Department of Health and Human Services and the Administration for Children and Families to prevent, prepare for and respond to coronavirus, for necessary expenses, and for grants to carry out a low-income household drinking water and wastewater emergency assistance program (LIHWAP);

Whereas LIHWAP provides funds to low-income household with water and wastewater bills;

Whereas LIHWAP grants are available to states, the District of Columbia, the Commonwealth of Puerto Rico, U.S. territories, federally and state recognized Indian tribes, and tribal organizations that received low-income household energy assistance program (LIHEAP) grants in fiscal year 2021;¹

Whereas under the Consolidated Appropriations Act of 2021, it was provided for and directed that the Secretary shall allot LIHWAP grants to a State or Indian Tribe based on the following: (i) the percentage of households in the State, or under the jurisdiction of the Indian Tribe, with income equal to or less than 150 percent of the Federal poverty line, and (ii) the percentage of such households in the State, or under the jurisdiction of the Indian Tribe, that spend more than 30 percent of monthly income on housing. Provided further, that up to 3 percent of the amount appropriated in this section shall be reserved for Indian Tribes and tribal organizations;²

Whereas on March 11, 2021, an additional \$500 million was appropriated in the American Rescue Plan Act (ARP) of 2021 in emergency spending to assist low-income households with water and wastewater bills. The \$500 million in funds were specifically appropriated to the Department of Health and Human services for the LIHWAP grant program, for fiscal year 2021, out of any amounts in the treasury not otherwise appropriated to remain available until expended. As before, LIHWAP grants were provided to States and Indian tribes to assist low-income households, particularly those within the lowest incomes, that pay a high portion of household income for drinking water and wastewater services, by providing funds to owners or operators of public water and wastewater systems or treatment works to reduce arrearages of and rates charged to such households for such services;

Whereas States, the District of Columbia, Territories, and Tribes/Tribal organizations, that are current fiscal year 2021 LIHEAP grantees, wishing to administer LIHWAP, must submit an application for funds by submitting a LIHWAP Plan no later than October 15, 2021, covering the grant period of May 27, 2021 through September 30, 2023;³

Whereas on July 21st, 2021, the Office of Community Services (OCS) published an information memorandum for distribution to program administrators on benefit policy and matrix resources for fiscal year 2021. In this memorandum, three priority groups are identified: 1) households with disconnected water

¹ <https://www.acf.hhs.gov/ocs/programs/lihwap>

² <https://www.acf.hhs.gov/ocs/law-regulation/lihwap-laws-and-regulations>

³ <https://www.acf.hhs.gov/ocs/policy-guidance/lihwap-2021-11-action-letter-october-fy2021>

services, 2) households with pending disconnections of water services, and 3) households seeking help with current water bills;⁴

Whereas on July 23rd, 2021, OCS published an information memorandum regarding the use of funds. This memorandum makes clear that LIHWAP does not have permanent statutory authorization nor further appropriations after current funding runs out;⁵

Whereas on September 28, 2021, OCS published an information memorandum on categorical eligibility for fiscal year 2021. This memorandum clarifies that households that currently qualify for: Low Income Home Energy Assistance Program (LIHEAP), Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), Supplemental Nutrition Assistance Program (SNAP), and/or means-tested veterans programs (payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978), can be included in grantees' LIHWAP eligibility procedure.⁶ Means-tested eligibility ensures that the most needy are receiving assistance on their water bills;

Whereas on September 30th, 2021, OCS published an information memorandum regarding renter households for fiscal year 2021, ensuring that low-income households whose water utilities are provided and/or controlled by a landlord are equally served under the program;⁷

Whereas the Senate passed the Drinking Water and Wastewater Infrastructure Act of 2021 on April 29th, 2021 which includes a pilot rural and low-income water assistance program run by the Environmental Protection Agency (EPA).⁸ The House introduced the Low-Income Water Customer Assistance Programs Act of 2021 on May 18th, 2021 and calls for a permanent program also administered by the EPA.⁹ The Infrastructure Investment and Jobs Act, awaiting final vote in the House, includes a "Needs Assessment for Nationwide Rural and Urban Low-Income Community Water Assistance" and a pilot program run by the EPA. Inclusion of water assistance programs in recent legislation demonstrates the public need and political will for such a program, albeit with minor modifications listed below;

Whereas acknowledged that LIHWAP as currently administered is emergency legislation and is not a permanently authorized program;

Whereas water is a basic need, and access to adequate water and wastewater service is threatened as a result of a complex set of factors, including the expense of replacing and maintaining aging infrastructure in both urban and rural areas, as well as declining customer bases to share the expense of those needed upgrades in rural areas, areas with a disproportionate share of residents already paying a high portion of household income for drinking water and wastewater services; *now, therefore be it*

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2021 Annual Meeting and Education Conference, urges Congress and the Administration to support legislation, budget measures, and regulations that provide assistance to the development and deployment of permanent low-income household drinking water and wastewater assistance programs that are available to all customers regardless of utility ownership; *and be it further*

⁴ <https://www.acf.hhs.gov/ocs/policy-guidance/lihwap-information-memorandum>

⁵ Ibid.

⁶ [Ibid.](#)

⁷ [Ibid.](#)

⁸ <https://www.congress.gov/bill/117th-congress/senate-bill/914/text>

⁹ <https://www.congress.gov/bill/117th-congress/house-bill/3293/text?r=1&s=2>

Resolved that a permanent federal low-income drinking water and wastewater assistance program should be funded at levels equivalent to other federal low-income utility assistance programs.

Sponsored by the Committee on Water

Adopted by the NARUC Board of Directors on November , 2021