

**Resolutions Passed by the NARUC Board
of Directors**

at the

November 13-16, 2022

**Annual Meeting and Education
Conference**

In New Orleans Louisiana

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ERE- 1 Resolution on the Urgency of Preparing for Widespread Transportation Electrification

Resolution recommends that DOE, DOT, JOET, NASEO, & State DOTs [1] work with NARUC to develop resources/training programs to address issues presented by widespread EV adoption, e.g., timely & efficient federal funding, accommodating growth of EV charging, costs and benefits of EV adoption, deployment of charging infrastructure, and rate design issues; and [2] work with utilities to ensure that new investments are coordinated with existing programs and minimize costs.

II. Water Committee Page 6

WTR – 1 Resolution Calling for Permanent Annual Federal Funding for a Low-Income Water and Wastewater Assistance Program

Resolution urges Congress to provide permanent annual funding for a federal low-income water and wastewater assistance program.

WTR – 2 Resolution Supporting Fair and Equal Customer Access to Federal and State Drinking Water and Wastewater Funding Programs

Resolution urges Congress and state general assemblies to take steps and make any necessary program modifications in federal and state law to assure that customers served by private utilities have fair and equal access to federal and state water and wastewater programs.

ERE-1 Resolution on the Urgency of Preparing for Widespread Transportation Electrification

Whereas the transition to electric-drive vehicles can provide substantial economic, environmental, and public health benefits for consumers and is a key strategy to decarbonizing the transportation sector for a growing number of States;

Whereas automobile, truck and bus manufacturers have announced plans to offer more than 130 models of electric-drive vehicles by 2026, including more light-duty vehicles as well as fleet vehicles and medium- and heavy-duty trucks, and invest over \$330 billion dollars in electrification and associated research and development by 2025, making those vehicles more affordable and increasing their performance;

Whereas numerous States and cities have already taken significant actions and made binding commitments to speed the deployment of charging infrastructure and promote adoption of electric-drive light-, medium-, and heavy-duty vehicles, providing a foundation upon which national actions and collaborations can build;

Whereas many of America's investor-owned electric utilities have partnered with customers from the public and private sector to deploy electric vehicle ("EV") charging infrastructure, educated their customers about the benefits of EVs and fleet electrification, and received approval to implement rates and programs to encourage EV charging in a manner that improves grid utilization and helps integrate intermittent renewable generators, yielding benefits to all electric utility customers;

Whereas the Infrastructure Investment and Jobs Act ("IIJA") allocates \$7.5 billion to support deployment of EV charging within communities and along transportation corridors, including the \$5 billion National Electric Vehicle Formula ("NEVI") Program—which provides formula grant funds to all 50 States to acquire, install, operate, and maintain EV chargers, with the goal of building a national EV network—and \$2.5 billion in grant funding for community-based charging and alternative fuel corridors to be disbursed by the U.S. Department of Transportation ("DOT") via a competitive grant process that prioritizes rural areas, low- and moderate-income neighborhoods, and other communities with limited access to convenient charging, in addition to \$4.5 billion for port upgrades and electrification, \$5 billion to fund zero emission and clean school buses, more than \$5 billion to fund low- and no-emission transit buses, and \$3 billion in U.S. Department of Energy ("DOE") matching funding for Smart Grid technologies, including EV charging, and vehicle-to-grid technologies;

Whereas the IIJA creates a new Joint Office of Energy and Transportation ("Joint Office") to oversee disbursement of these monies;

Whereas the IIJA requires the DOT and DOE to issue guidance to the States that will address fostering enhanced, coordinated, public-private or private investment in EV charging infrastructure, and it directs the States to develop grant programs to disburse awarded funds, subject to DOT-issued guidelines;

Whereas the Inflation Reduction Act (“IRA”) further commits nearly \$370 billion in direct federal investments in programs to address climate change and energy production, including new and extended tax credits for EVs and EV charging equipment;

Whereas State energy offices in every region of the nation are integrating electric distribution system and EV charging infrastructure planning and policy, coordinating with environmental agencies in the investment of \$2.9 billion in VW settlement funds, collaborating with utilities and local governments on EV infrastructure planning, and spearheading State and regional governor-designated EV infrastructure deployment actions and policies;

Whereas State departments of transportation are responsible for implementing certain IIJA programs, including the \$5 billion NEVI Program, that provide funding for EV infrastructure deployment, in partnership with utilities and other stakeholders;

Whereas timely and efficient administration of the funding allocated by the IIJA and other federal funding sources will require an unprecedented scope and a degree of collaboration and coordination between local, State and national government entities, regulators and electric utilities, utilities and the automotive industry, as well as a host of other relevant stakeholders;

Whereas EV charging can place significant new demands on local distribution systems, rapid innovation in charger and vehicle technology is steadily increasing the connected load of fleet depots and DC fast charging plazas, which together with the clustering of personal electric vehicle charging in residential areas could result in concentrated loads of several megawatts;

Whereas utility regulators in more than 30 States have already authorized electric companies to deploy more than \$3 billion for transportation electrification investments, of which more than \$800 million will be directed toward historically marginalized communities;

Whereas utility regulators have specific expertise in understanding the impacts of EV adoption on the power system and electric utility rates, regulators can apply their expertise in establishing policy and reviewing plans to serve EV charging load in a way that ensures it is done in a cost-effective manner that keeps pace with the speed of transportation electrification while maintaining reliability, resilience and safety, and without unduly burdening customers who do not drive or own electric vehicles; *and*

Whereas the IIJA also commits substantial federal dollars to grid investments and improvements, utility regulators can apply their expertise and decision-making processes to determine which utility investments present reliable value propositions that support the spirit of the IIJA; *now, therefore be it*

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners (“NARUC”), convened at its Annual Meeting and Education Conference in New Orleans, Louisiana, recommends that the U.S. Department of Energy, U.S. Department of Transportation, Joint Office of Energy and Transportation, National Association of State Energy Officials, and State departments of transportation move swiftly to work with and support NARUC to develop resources and training programs to address the policy and planning issues presented by widespread adoption of electric-drive vehicles, including the timely and efficient deployment of federal funding, planning to accommodate the growth of EV charging on the grid, the costs and

benefits of electric vehicle adoption, the equitable and cost-effective deployment of EV charging infrastructure, and rate design considerations for EV charging; *and be it further*

Resolved that NARUC also recommends that the aforementioned federal and State officials work with local utilities and other stakeholders to ensure that new investments are coordinated with existing programs and efforts with the goal of managing EV usage to minimize cost to customers and deploying EV charging infrastructure and making related, necessary electric grid upgrades in the most effective, efficient, and equitable manner possible in light of specific community needs.

Sponsored by the Committee on Energy Resources and the Environment
Adopted by the NARUC Board of Directors on November 15, 2022

WTR-1 Resolution Calling for Permanent Annual Federal Funding for a Low-Income Household Water Assistance Program

Whereas the Consolidated Appropriations Act of 2021, which became law on December 27, 2020, provided \$638 million to the U.S. Department of Health and Human Services (“HHS”), Office of Community Services (“OCS”) and Administration for Children and Families (“ACS”) for grants to carry out a Low-Income Household Water Assistance Program (“LIHWAP”) in response to the coronavirus pandemic;

Whereas on March 11, 2021, the American Rescue Plan Act appropriated an additional \$500 million in emergency spending for LIHWAP bringing the total funding for the program to \$1.138 billion;

Whereas LIHWAP is an emergency program to assist low-income households with their water and wastewater bills. The priority for LIHWAP is to ensure that households whose services have been disconnected due to non-payment, or are about to be disconnected, are able to have their services restored as quickly as possible;

Whereas these grants issued through LIHWAP provide funds to owners or operators of public water systems or treatment works to reduce arrearages and rates of low-income households. For the purposes of LIHWAP, “owners and operators of public water systems” are utilities that provide water for human consumption through pipes or other constructed conveyances, and include the water utilities regulated by the state public utility commissions that comprise the National Association of Regulatory Utility Commissioners (“NARUC”);

Whereas parties eligible to apply for LIHWAP grants are the states, the District of Columbia, the Commonwealth of Puerto Rico, U.S. territories, federally and state-recognized Indian tribes, and tribal organizations that received similar utility assistance grants in fiscal year 2021;

Whereas establishing a new federal assistance program was a complex process at the federal, state, territory, tribal and local level. It required an extensive amount of effort by OCS, states and utilities to get the program up and running, ensure customers were aware of the program, and to distribute funds to those eligible;

Whereas data from the LIHWAP 3rd Quarter Report indicates that during the first three quarters of Fiscal Year 2022 (October 2, 2021 – June 30, 2022) 46 states and over 70 tribes have submitted LIHWAP applications; over 304,000 households received LIHWAP assistance and over 99,000 households had services restored or disconnection prevented through LIHWAP benefits assistance;

Whereas LIHWAP is a temporary emergency program that runs from January 4, 2022, until September 30, 2023, or when the program expends all of its funds;

Whereas the lack of permanent funding for a federal low-income water assistance program is troubling. Safe and reliable drinking water is essential for daily living, sanitation and a well-functioning economy;

Whereas the U.S. economy continues to falter with inflation and rising interest rates, which means the need to help customers pay their water bills continues to exist;

Whereas lack of running water makes a dwelling uninhabitable; *and*

Whereas should the LIHWAP program expire without establishing a permanent fund, water customers who have relied on LIHWAP 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 2022 Annual Meeting and Education Conference in New Orleans, Louisiana, urges Congress to provide permanent annual funding for a federal Low-Income Household Water Assistance Program.

Sponsored by the Committee on Water

Adopted by the NARUC Board of Directors on November 15, 2022

***WTR- 2 Resolution Supporting Fair and Equal Customer Access to Federal and State
Drinking Water and Wastewater Funding Programs***

Whereas high quality, safe, and environmentally sound drinking water and wastewater treatment services are essential to life, community health, and the economy;

Whereas the fair and equal treatment of water and wastewater utility customers is a priority of the National Association of Regulatory Commissioners (“NARUC”) as recognized in its recent resolution on Water Equity passed on February 16, 2022;

Whereas federal and State governments have long recognized that there is an important role for taxpayer-funded water and wastewater grant and loan programs and as a result have created and funded a number of different programs designed to address environmental quality, public health, aging infrastructure, and economic development;

Whereas the Infrastructure Investment and Jobs Act (“IIJA”) was passed with bi-partisan support in 2021 and commits more than \$50 billion towards water and wastewater funding programs;

Whereas the White House describes the IIJA as “a once-in-a-generation investment in our nation’s infrastructure” and as “historic legislation” that will “deliver clean water to all American Families;”

Whereas the congressional member that first sponsored the bill states that the bill “will ensure that clean, safe drinking water is a right in all communities;”

Whereas approximately 25 million people within thousands of communities in urban, suburban, and rural areas of the United States are served by privately owned water and wastewater utilities;

Whereas a disproportionate number of the nation’s small water systems are owned by private utilities, and the Environmental Protection Agency (“EPA”) and other regulatory agencies have long acknowledged that small water systems in general need the most external support;

Whereas the number of customers served by privately owned wastewater systems has increased substantially since 1987, the year when the nation’s largest federal wastewater funding program, the Clean Water State Revolving Fund, was authorized without allowing privately owned wastewater customers to benefit from the fund;

Whereas privately owned water and wastewater utilities provide service in many areas where no other government or non-profit utilities exist or are willing to provide service;

Whereas customers served by privately owned water and wastewater utilities are subject to the same rate pressures and financial hardships caused by the need to invest to address environmental and public health threats, and properly maintain and upgrade aging infrastructure;

Whereas under federal and some state laws, customers and communities served by privately owned utilities are excluded from directly benefiting from many of the water and wastewater funding opportunities included in the IJA;

Whereas even though privately owned water utilities are eligible for the Drinking Water State Revolving Fund under federal law, some states prohibit customers of privately owned utilities from benefitting;

Whereas customers served by privately owned utilities pay the same federal and state taxes that are used to fund water and wastewater assistance programs that customers served by government-owned and other non-profit water utilities pay;

Whereas the vast majority of states have state utility regulatory commissions that regulate and monitor private utilities, and enforce regulatory, accounting and rate-setting practices that result in the financial benefits of federal and state funding being directly passed through to customers, *and*

Whereas the federal and state programs that do provide access to customers of private utilities, including the Drinking Water State Revolving Fund and the Low-Income Household Water Assistance Program, have demonstrated the extremely positive impact federal and state programs can have on customers and communities; *now, therefore be it*

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2022 Annual Meeting and Education Conference in New Orleans, Louisiana, urges Congress and state general assemblies to take steps and make any necessary program modifications in federal and state law to assure that customers served by private utilities have fair and equal access to federal and state water and wastewater programs; *and be it further*

Resolved, that NARUC, through its Committee on Water, stands ready to assist state and federal agencies and governing bodies identify and address the barriers which limit customer access to water and wastewater funding programs.

Sponsored by the Committee on Water

Adopted by the NARUC Board of Directors on November 15, 2022