

# Northeast Public Power Association Legislative Update



## March 2021

### House Passes \$1.9T COVID-19 Bill

On Feb. 26, the House passed its COVID-19 aid package, the “American Rescue Plan Act,” (H.R. 1319) by a nearly party line vote of 219-212 using Budget Reconciliation procedures. The \$1.9 trillion package includes provisions to deploy a national vaccination plan; deliver direct payments of \$1,400 to individuals and families; provide emergency rental assistance; \$350 million in aid to U.S. states, cities, and tribal governments; and additional provisions aimed at providing relief across all sectors of the U.S. economy.

The version passed by the House does not include a federal moratorium on shutoffs and expands access to payroll tax credits for emergency paid sick and family leave to public power utilities. The bill also adds \$4.5 billion to the Low Income Home Energy Assistance Program (LIHEAP) to aid American families with their utility bills.

The Senate took up consideration of the bill on March 3, with expectations that Republicans would try to delay passage and force difficult votes through the amendment process, which is unlimited. Democrats, however, are hoping to pass the bill with as few changes as possible, as quickly as possible. President Biden has urged that the bill be sent to the White House prior to March 14, the date on which enhanced unemployment benefits are set to expire.

### Biden Administration Considers Executive Actions on Cybersecurity

Anna Neuberger, Deputy National Security Adviser for Cyber and Emerging Technology, announced yesterday that the Biden administration will consider approximately 12 potential Executive actions to close gaps it has identified since the cyberattack on IT monitoring firm SolarWinds. Neuberger said that the administration is in the beginning stages of understanding the scope and scale of the attack, and that they expect to uncover more entities who were targeted and breached throughout their investigation. They anticipate that the investigation will take several months to complete. While she did not elaborate on what the Executive actions would entail, Neuberger did address legal barriers to public-private collaboration on the issue, calling them “something we need to overcome.”

### Senate Intel Holds Hearing on SolarWinds Hack

On Feb. 23, the Senate Intelligence Committee held a hearing to question the leaders of major technology companies targeted by the recently exposed Russian-linked cybersecurity breach. Witnesses included Sudhakar Ramakrishna, CEO of SolarWinds, the IT software firm at the heart of the attack. Ramakrishna, who was not CEO of SolarWinds at the time of the attack, told Senators that the company is investigating how the hack was able to happen, and have narrowed it down to three avenues through which the hackers could have gotten into the system. Ramakrishna also emphasized that this hack indicates larger threats to supply chain security in general, and implored lawmakers to collaborate with companies to help avoid future hacks. Following the hearing, White House Press Secretary Jen Psaki told reporters that the administration’s response to the hack is “weeks, not months” away.

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### **House Democrats Release Updated CLEAN Future Act**

On Mar. 2, Democratic leaders announced an updated version of the CLEAN Future Act, originally released in the 116th Congress. The bill totals \$565 billion and establishes a federal clean electricity standard with targets of 80% clean energy by 2030 and 100% by 2035, a much more stringent goal than the previous bill's net zero by 2050 goal. It also includes new grant programs in energy efficiency, distributed energy resources, grid infrastructure, electric vehicles, and microgrids. Additionally, there are provisions included to improve the efficiency of new and existing buildings, as well as national energy savings targets for continued improvement of model building codes.

The bill also includes a placeholder section for hydropower relicensing, signaling an interest in working with new Ranking Member Cathy McMorris Rodgers (R-WA) on including Republican priorities and input. The bill also includes a provision requiring all public utilities (a term that generally does not include public power) to relinquish control of their transmission assets to an RTO or ISO within two years.

### **Blackouts in South and Midwest Prompt Inquiry, Calls for Reform**

The weekend of Feb. 13, more than four million homes in Texas and several other nearby states experienced unprecedented blackouts after extremely cold temperatures caused a spike in electricity and natural gas use. The Electric Reliability Council of Texas (ERCOT), the state's main grid operator, led controlled outages that lasted many hours when the state reached its highest level of emergency operations on Feb. 15. The Department of Energy gave several power plants in Texas authority to bypass pollution control regulations until the power outages are under control. MISO and SPP faced similar challenges that did not escalate to the same degree of emergency but still saw widespread outages. The crisis in the power markets prompted not only the expected politicization of blame but also a joint inquiry from the Federal Energy Regulatory Commission (FERC) and National Electric Reliability Corp. (NERC) and a call for market reform in Texas.

### **EPW Advances Regan Nomination**

On Feb. 3, the Senate Environment and Public Works Committee held a confirmation hearing on the nomination of Michael Regan to be Administrator of the Environmental Protection Agency (EPA). In the hearing, Regan spoke of the need to act quickly to mitigate the impacts of climate change and appealed to both Democrats and Republicans by emphasizing the potential economic impacts of disasters caused by the climate. Throughout the hearing, Regan often related his plans for EPA back to the Biden administration's plans for aggressive action on climate change, but stopped short of saying he would re-propose the Clean Power Plan in the same form it had taken under the Obama Administration. On Feb. 9, EPW voted to advance Regan's nomination to be EPA Administrator in a 14-6 vote.

### **Jennifer Granholm confirmed as Energy Secretary**

On Feb. 25, the Senate voted 64-35 to confirm former Michigan Governor Jennifer Granholm to be the Secretary of Energy. Secretary Granholm will be tasked with leading the Biden Administration's efforts toward cleaner energy resources to meet the President's goal to reach carbon neutrality by 2050. Granholm has indicated a strong interest in boosting clean energy jobs, including in the manufacture of electric vehicles, wind turbines, and solar panels. She has also highlighted the need for grid infrastructure upgrades in the wake of the devastating California wildfires and the recent winter storm in Texas and surrounding states.

### **OMB Director Nominee Neera Tanden Withdraws Nomination**

On March 2, President Biden's nominee for director of the Office of Management and Budget (OMB), Neera Tanden, withdrew her nomination following weeks of scrutiny over tweets she had written about both Republicans and progressive Democrats. After her two confirmation hearings, Sen. Joe Manchin (D-WV) announced that he would not support Tanden, leaving her confirmation reliant on centrist Republicans like Sens. Susan Collins (R-ME) and Lisa Murkowski (R-AK). At the top of the list to replace Tanden is deputy OMB director nominee Shalanda Young, who previously served as Staff Director for the House Appropriations Committee.

