

February 8, 2023

TO: Policy Makers Council

FROM: Steve Medved / SMedved@PublicPower.org / 202-467-2928

SUBJECT: February PMC Call Summary

******This email and the information contained herein are confidential. The intended use is for APPA member utilities and their employees only. Do not distribute outside your organization.******

2023 Legislative Rally Meeting

When & Where: The PMC will meet in person at the 2023 APPA Legislative Rally on **Monday, February 27 from 3:00-5:00 p.m. ET** at the Mayflower Renaissance Hotel (1127 Connecticut Avenue NW) in Washington, D.C.

Meeting Materials: An agenda, links to updated APPA issue briefs, and key messages were sent out in a February 1 email. Please reference that email to find these important materials. If you have any questions about these materials or need me to forward it to you, please let me know. Issue briefs may also be found on our [website](#). They will also be available in the Rally app.

New Member Orientation: A 15-minute new PMC member orientation will directly follow after conclusion of the PMC meeting at the Legislative Rally from 5:00-5:15 p.m. This will be an opportunity to meet APPA staff, PMC officers, and network with fellow PMC members, and ask any questions you may have.

Legislative Update

APPA Infrastructure Investment and Jobs Act (IIJA) Resources

- As part of APPA's ongoing effort to make members aware of recent federal agency and department activity related to implementing the Infrastructure Investment and Jobs Act (IIJA), members can access recent federal activity related to the IIJA, and other resources, including APPA summaries and statements, at www.publicpower.org/InfrastructureFunding. Also, a listing of all Department of Energy (DOE) IIJA program and funding announcements can be found [here](#).
- Notably, DOE recently opened the [State, Local, and Tribal Government Application Hub](#) for the Energy Efficiency Conservation Block Grant (EECBG) Formula Program, including the allocation amounts for [local governments](#). Pre-application information is due **April 28, 2023**. APPA shared this information on the IIJA website and listserv and has encouraged public power utilities to work with their local communities on how to best use this federal funding.

Congressional Committees Organizing

- Last week, committees in the House of Representatives held official organizational meetings, during which committee membership, including subcommittee leadership and rosters, were finalized and committee rules for the 118th Congress were adopted. The House [Energy & Commerce Committee](#), [Ways & Means Committee](#), [Transportation & Infrastructure Committee](#), [Natural Resources Committee Republicans](#), and [Natural Resources Committee Democrats](#) all finalized rosters of both Republican and Democratic members. The [Senate Environment and Public Works](#) also held an [organizational meeting](#).

State of the Union

- On Monday, the White House released a [fact sheet](#) outlining the topics President Biden will cover during the State of the Union address. President Biden will discuss economic successes, job creation, pandemic recovery efforts carried out under his administration over the past two years and will preview how the budget he is sending to Congress on March 8 will build on these same principles. Per the fact sheet, "President Biden will outline the manufacturing boom across the country—in infrastructure, semi-conductors, and clean energy."

House Energy & Commerce Committee Hearings

- Following the organization meeting, the House Energy & Commerce Committee held its first hearing of the year, titled "American Energy Expansion: Strengthening Economic, Environmental, and National Security."

- Broadly, Republican members, including the new Committee Chair Cathy McMorris Rodgers (R-WA), used time to highlight energy prices, geopolitical concerns, including overreliance on Russia and China for fuel and critical minerals, and efforts to increase American energy exports, not only of oil and gas, but also of energy technology, including advanced nuclear.
- Democratic members also discussed energy prices, however, they also focused on the impacts of legislation passed during the 117th Congress, including the IIJA, the Inflation Reduction Act, and the CHIPS and Science Act, to increase investments in clean energy, transportation electrification, and domestic supply chains for critical minerals.

Refundable Direct Pay Tax Credits

- APPA continues to await guidance from the U.S. Treasury and the Internal Revenue Service on key elements of the inflation reduction act, including the mechanics of claiming refundable direct pay tax credits, and domestic content requirements which must be met to claim refundable tax credits after 2025.
- APPA continues to work with allied stakeholders, including the National Rural Electric Cooperative Association and Large Public Power Council, on these issues, including framing, information sharing, and advocacy.

Bonds

- Rep. Dutch Ruppersberger (D-MD) and House Ways and Means Committee member David Kustoff (R-TN) are expected to begin seeking cosponsors this week for legislation to restore the ability to issue tax-exempt advance refunding bonds.
- When a “Dear Colleague” letter asking for support is circulated, APPA plans to send it out to members as part of an action alert along with information about the Republican co-sponsor of the bill.

Low Income Home Energy Assistance Program (LIHEAP)

- The National Energy and Utility Affordability Coalition’s LIHEAP Action day is on February 16. APPA is a member of NEUAC and an ex officio member of its board.
- While LIHEAP funding has increased in recent years, so have utility prices and demand continues to far outstrip funding.
- Historically, LIHEAP has enjoyed bipartisan support, but educating and convincing newer members may prove challenging.

- Coupled with what is already predicted to be a government shutdown next fall over budgeting priorities, APPA will continue to work to explain how LIHEAP helps at-risk families in EVERY congressional district.

Waters of the United States (WOTUS)

- On February 2, House and Senate Republicans introduced disapproval resolutions under the Congressional Review Act (CRA) on the Waters of the United States (WOTUS) rule released in December by the Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers (Corps). The rule changes the definition of WOTUS in a way that expands federal regulatory authority.
 - Senate Environment & Public Works Committee Chair Shelly Moore Capito (R-WV) is leading the effort by Republicans, all 49 of whom support the disapproval resolution.
 - House Transportation & Infrastructure Committee Chairman Sam Graves (R-MO) is leading efforts in the House. One hundred fifty two Republicans support the disapproval resolution.
- On December 30, 2022, EPA and the Corps released a final pre-publication version of the Phase I WOTUS rule.
 - The rule repeals the Trump Administration's 2020 Navigable Waters Protection Rule.
- If the disapproval resolution were approved, it would invalidate the rule and prohibit the agencies from issuing a similar rule without authorization from Congress.