

**AMERICAN PUBLIC POWER ASSOCIATION**  
**NEW CODIFICATION OF RESOLUTIONS**

(Policy Resolutions Adopted by the APPA Membership Beginning in 2021 and Thereafter)

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## **PREFACE**

Each year, members of the American Public Power Association (APPA) meet to offer and consider policy resolutions on a host of federal issues impacting public power utilities. Once adopted, these policy resolutions guide APPA staff in their advocacy efforts before Congress and the federal government. In 2019, the APPA Board of Directors retired the association's Codification of Resolutions (now referred to as the Old Codification of Resolutions) and approved the APPA staff to create a new one that includes policy positions adopted in 2021 and thereafter. Resolutions adopted by the membership remain in effect for eight years after their adoption. If updated in that eight-year window, that policy remains in effect. If not updated or extended by their sunset year, the policy positions are no longer in effect.

Resolutions adopted between 2000 and 2020 and included in the Old Codification of Resolutions will remain in effect until 2026 unless replaced by new resolutions in 2021-2026.

## TAX AND FINANCE

### **(Includes Municipal Bonds, Comparable Incentives, and the Small-Issuer Exception)**

- 1. Resolution 21-05 – In Opposition to the Sequestration of Direct Payment Bonds** (adopted March 2, 2021)
  - a. That the American Public Power Association (APPA) opposes federal sequestration of refundable tax credit payments to Build American Bond (BAB) and New Clean Renewable Energy Bond (New CREB) issuers; and
  - b. That APPA urges the Biden Administration and Congress to take such steps as are necessary to prevent sequestration of BAB and New CREB refundable tax credit payments to issuers.
  
- 2. Resolution 22-04 – In Support of Tax-Exempt Municipal Bond Financing** (adopted March 1, 2022)
  - a. That the American Public Power Association (APPA) strongly supports the continued use of tax-exempt municipal bonds to finance electric power system infrastructure investments necessary to safely, reliably, and affordably provide power to more than 49 million Americans served by public power utilities; and
  - b. That APPA believes that laws and regulations should not interfere with public power utility use of tax-exempt municipal bonds to make critical investments; and
  - c. That APPA specifically opposes any effort to impose a tax of any sort on the interest paid on municipal bonds because it would increase costs to consumers and make critical investments more difficult.
  
- 3. Resolution 22-05 – In Support of Comparable Energy Tax Incentives for Public Power** (adopted March 1, 2022)
  - a. That the American Public Power Association (APPA) believes that if Congress is going to continue to use the tax code to drive federal energy and environmental policy, then Congress must provide comparable incentives to public power utilities that—because of their tax-exempt status—cannot directly access many energy-related tax credits, such as the wind production tax credit (PTC) and solar investment tax credit (ITC); and
  - b. That APPA applauds lawmakers in Congress who are seeking to make federal energy investment incentives more equitable and more efficient by pursuing legislation that will allow tax-exempt entities, including public power utilities, to benefit from energy-related tax incentives; and

- c. That APPA commits to working with members of Congress seeking to provide public power utilities with comparable incentives to energy-related tax incentives.

**4. Resolution 22-08 – In Support of Municipal Bond Modernization** (adopted March 1, 2022)

- a. That the American Public Power Association (APPA) strongly believes that tax-exempt municipal bonds have been, and will remain, the most powerful and effective tool for financing public investments in public infrastructure; and
- b. That APPA believes that insofar as Congress wants to incentivize further investments in infrastructure, it should focus on improving this incredibly powerful financing tool with a municipal bond modernization agenda; and
- c. That APPA believes that a municipal bond modernization agenda should reinstate tax-exempt advanced refunding bonds, increase the small-issuer exception from \$10 million to \$30 million, exempt payments to Build America Bond issuers from federal budget sequestration, and repeal outdated private-use rules.

**5. Resolution 23-06 – In Support of Refundable Direct Pay Tax Credits for Public Power** (adopted February 27, 2023)

- a. That the American Public Power Association (APPA) believes that the Department of Treasury and Internal Revenue Service (IRS) should work to simplify the compliance costs associated with navigating the multiple layers of requirements for qualifying for, and calculating the value of, refundable direct pay energy tax credits, which will be essential to maintaining critical baseload generation and spurring investment in the future power supply needed to fuel our nation's economy; and
- b. That APPA believes that the Department of Treasury and IRS should work to ensure that rules and regulations provide flexibility in implementing refundable direct pay tax 38 credits to allow for innovation and evolution in the use of this new tool; and
- c. That Congress should abandon the indiscriminate, across-the-board spending cuts imposed by sequestration and so remove the needless threat of statutory Pay-As-You-Go Act sequestration from refundable direct pay tax credits.

## WHOLESALE MARKETS

(Includes regional transmission organizations and independent system operators)

### 1. Resolution 23-03- On Formulating Reasonable Policies for Regional Transmission Organizations and Independent System Operators and the Markets They Administer

(adopted February 28, 2023)

- a. That the American Public Power Association (APPA) urges Congress and the Federal Energy Regulatory Commission (FERC) to maintain the current voluntary approach to participation in regional transmission operators (RTOs) or independent system operators (ISOs); APPA does not support general legislative or regulatory requirements compelling electric utilities to form or join RTOs or ISOs; and
- b. That FERC rules and policies governing RTOs/ISOs should:
  - i. positively impact consumer welfare and avoid impediments to the public power business model;
  - ii. ensure that RTOs/ISOs have the necessary independence to provide non-discriminatory rates and service to all participants;
  - iii. recognize and respect regional differences and preferences;
  - iv. permit the fair and effective participation of publicly owned utilities, accommodate their special circumstances including tax law and other legal requirements under which they operate, and provide comparable cost recovery for their transmission assets;
  - v. ensure that RTO/ISO governance is transparent and accountable to electric consumers' interests;
  - vi. support rational long-term generation resource arrangements that are in turn supported by dependable, long-term transmission service provided at just and reasonable rates;
  - vii. foster well-functioning wholesale electric markets that produce just and reasonable rates for customers;
  - viii. ensure that the RTO/ISO markets have adequate supply at all times it is needed;
  - ix. ensure pricing methodologies for transmission that produce reasonably certain and stable prices over the long term in order to support new generation construction and long-term power supply contracts;
  - x. consistent with section 217 of the Federal Power Act (16 U.S.C. § 824q), ensure that load-serving entities that have built generation, or made contractual commitments for power, to serve customers whom they have a legal obligation to serve (retail and wholesale native load), and that have built transmission or reserved firm transmission

service for such resources, continue to have a right to their existing firm transmission rights, or equivalent tradable or financial transmission rights (FTRs) for resources dedicated to meet their service obligations;

- xi. ensure that FTRs provide a sufficient congestion cost hedge for load-serving entities;
- c. That FERC should ensure that RTO/ISO tariff provisions, including, but not limited to, “buyer side” market power mitigation measures for RTO/ISO capacity markets:
- i. do not impede the ability of public power systems to obtain through self-supply sufficient power supply and demand-side resources to serve their retail loads at least cost, taking into account short-term and long-term portfolio needs, resource diversification, environmental considerations, and any other policy preferences of their communities; and
  - ii. ensure the ability of public power utilities to self-supply their own loads with their own resources by ensuring that these resources will clear relevant capacity market auctions absent the intentional exercise of buyer-side market power to decrease capacity prices; and
  - iii. preserve the rights of state regulatory commissions and local authorities to set procurement rules to meet public policy goals established by state and local regulatory authorities, including but not limited to, replacing older generation, entering into long-term contracts, using tax-exempt borrowing authority, and favoring resource types preferred under state and local law and policy; and
- d. That FERC should adopt requirements for the collection and maintenance of a comprehensive set of data on RTO/ISO performance metrics to facilitate objective assessments of RTO/ISO costs and benefits; and
- e. That FERC should respect the considerable regional diversity that exists throughout the country and embrace regional alternatives developed within regions that do not have and do not wish to have RTOs or ISOs.

**TRANSMISSION AND SITING**  
**(Includes Comprehensive Permitting Reform)**

- 1. Resolution 22-02 – In Support of Transmission Policies That Deliver Reliable and Affordable Electricity for Public Power Customers** (adopted March 1, 2022)
  - a. That the American Public Power Association (APPA) strongly believes that any federal policies designed to promote new transmission development must focus on ensuring the delivery of reliable and affordable power to consumers for decades to come. To that end, transmission planning processes: (1) should prioritize reliably meeting the needs of public power utilities and other load-serving entities (LSEs), consistent with Congress' direction in Federal Power Act (FPA) section 217(b)(4), as planning grounded in LSE service obligations will accommodate an evolving resource mix, including increased renewable generation; (2) should be informed by LSE resource plans in identifying transmission needs; (3) should be forward-looking, based on available and future resources, load, and meeting unique regional needs, while avoiding overly speculative assumptions about the siting of new generation; and (4) should be open and transparent for all stakeholders. Policies should emphasize transparency in the evaluation and approval of new transmission and promote cost control for consumers for all aspects of construction, development, rate design, and returns on equity; and
  - b. That APPA reiterates that, in considering policies to promote transmission development, Congress, the Department of Energy (DOE), and Federal Energy Regulatory Commission (FERC) should ensure that customers do not pay excessive transmission rates. Transmission investment costs allocated to customers must be roughly commensurate with the benefits customers receive, and any use of rate incentives to promote transmission investment – including investments in cybersecurity and grid technologies – must conform to recognized incentive rate restrictions and requirements to ensure just and reasonable rates under the FPA; and
  - c. That new legislative and regulatory policies relating to transmission planning, generator interconnection, and cost allocation should appropriately account for regional differences, including diverse resource mixes, market structures, geographic siting constraints, and weather; and
  - d. That APPA reiterates its support for FERC to use its FPA authority to implement policies that encourage and promote the joint ownership of transmission systems in regional transmission organization (RTO) and non-RTO regions; transmission owners developing new transmission projects should be encouraged to include public power utilities in the

ownership and financing of transmission projects whose low-cost debt financing would help minimize the ultimate cost of such projects borne by ratepayers, among other benefits of joint ownership arrangements; and

- e. That APPA opposes legislative or regulatory mandates that would require all public utilities (or all public utilities in a particular region) to join an RTO or independent system operator; and
- f. Any federal incentives for transmission must be available to public power. In the case of an investment tax credit (ITC) for transmission, the benefit of the ITC must be passed through to consumers and it must be provided to public power as a refundable tax credit; and
- g. To encourage the development of new transmission facilities, Congress and the federal agencies should take actions to streamline the federal permitting and siting process, eliminate excessive regulatory barriers, and ensure more timely decisions from relevant federal agencies.

**2. Resolution 23-01 – On Promoting Reasonable Transmission Policies for Public Power Utilities** (adopted February 28, 2023)

- a. That the American Public Power Association (APPA) believes that substantial new transmission facilities will be required in some regions to replace aging infrastructure, promote reliability and security, and accommodate an evolving generation resource mix; and
- b. That APPA urges the Federal Energy Regulatory Commission (FERC), in the face of increased transmission investment and rising transmission costs, to implement and enforce transmission planning, cost recovery, and incentive policies that ensure customers do not pay excessive transmission rates; and
- c. That APPA urges FERC to enforce the transmission planning process requirements of FERC Order Nos. 890 and 1000 in a manner consistent with the purposes and goals of those orders; and
- d. That APPA urges the public, states, FERC, and Congress to balance the concerns of specific states, landowners, and other groups opposing specific transmission projects against the larger public good benefiting the reliability and affordability of an entire region; and
- e. That APPA urges FERC to enforce the obligation of a transmission provider to plan and construct its system to accommodate the needs of network transmission customers on a par with the needs of its retail native load customers; and
- f. That APPA urges FERC, in addressing cost allocation for new transmission facilities, to

ensure that costs allocated to customers are roughly commensurate with the benefits customers receive; and

- g. That APPA believes that in allocating costs in accordance with Federal Power Act (FPA) requirements, FERC should be sensitive to differences in state policies. If a project is being promoted to meet a public policy objective, the specific objective and its source (e.g., state statute or regulatory requirement) must be specifically identified. Such identification, as well as differences among state policies, is appropriate to consider in determining whether an allocation of costs is roughly commensurate with the benefits received; and
- h. That APPA urges FERC, in establishing policies for setting the allowed return on equity (ROE) for cost-based transmission rates, to adhere to the consumer protection objectives of the FPA and ensure that authorized ROEs do not exceed the market cost of equity for investments of similar risk; and
- i. That APPA urges FERC to adhere to recognized requirements for transmission incentives to ensure just and reasonable rates, including: (i) a demonstrated connection between the incentive and the conduct the incentive is supposed to encourage; (ii) a showing that project specific incentives are justified by project risks and challenges; (iii) demonstrated efforts to minimize project risks, including appropriate consideration of joint ownership arrangements; (iv) incentive returns should not be applied to cost overruns; and (v) incentives should not be granted to motivate past conduct or actions that public utilities are otherwise legally compelled to undertake; and
- j. That APPA recommends that FERC continue its efforts to weigh the status of competitive transmission development under Order No. 1000, including an assessment of the potential for increased transmission competition to moderate transmission cost increases in some or all planning regions.

### **3. Resolution 23-02 – On Promoting Transmission Joint Ownership Opportunities for Public Power Utilities** (adopted February 28, 2023)

- a. That the American Public Power Association (APPA) believes that the opportunity for not-for-profit load-serving utilities, including public power utilities, to have ownership interests in new transmission facilities can serve as a valuable tool in promoting new cost-effective transmission development while providing many other benefits;
- b. That APPA urges Congress to encourage and support joint ownership of transmission by not-for-profit load-serving utilities, including public power utilities; and
- c. That APPA urges the Federal Energy Regulatory Commission (FERC) to use its authority under the Federal Power Act to encourage joint ownership opportunities for

public power utilities and other not-for-profit load-serving utilities, including, but not limited to, FERC's authority to: (i) establish the requirements for transmission planning by public utilities, including regional transmission organizations and independent system operators; (ii) tailor any consideration of transmission incentives to recognize and promote the many benefits of non-public utility joint ownership; (iii) impose conditions on public utility mergers; and (iv) ensure that all sellers authorized to charge market-based rates have mitigated their generation and transmission market power.

## **PUBLIC UTILITY REGULATORY POLICIES ACT**

### **1. Resolution 23-05 – On Promoting Reasonable Policies Under the Public Utility Regulatory Policies Act of 1978** (adopted February 28, 2023)

- a. That the American Public Power Association (APPA) encourages Congress to reform the mandatory purchase and mandatory sales obligations imposed on electric utilities by section 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), as these obligations are no longer necessary or appropriate in light of the significant industry changes since 1978, including the development of wholesale electricity markets, the adoption of open access transmission policies, and the adoption of state and federal policies to promote renewable sources of power; and
- b. That, absent elimination of mandatory requirements under PURPA section 210, APPA supports prospective legislative and regulatory efforts that minimize the obligations on public power utilities to buy energy and capacity from qualifying facilities (QFs) pursuant to PURPA, and that otherwise provide flexibility in determining the avoided cost rates required to be paid to QFs, in light of industry developments since PURPA was enacted; and
- c. That APPA supports legislative and regulatory policies under PURPA that allow public power utilities to design their rates, terms, and conditions for retail service in a manner that is fair and reasonable to all customers; and
- d. That APPA objects to future amendments to section 111(d) of PURPA that would require state public utility commissions and larger non-regulated electric utilities to formally consider additional electric utility policies or standards, as such “must consider” standards impose unnecessary procedural obligations on many public power utilities, and many are duplicative of policies that utilities have already considered.

## **DISTRIBUTED ENERGY RESOURCES AND ENERGY STORAGE**

### **(Includes Hydrogen)**

#### **1. Resolution 21-01 – In Support of Energy Storage** (adopted March 2, 2021)

- a. That the American Public Power Association (APPA) supports policies that bolster research and development of energy storage technology, including by reducing costs and increasing storage duration, and policies that incent the deployment of beneficial energy storage technology; and
- b. That APPA urges Congress and federal agencies to support the development and deployment of energy storage technology in a manner that recognizes state and local authority, increases reliability, and keeps costs affordable for consumers.

#### **2. Resolution 21-06 – In Support of Federal Incentives for Utility-Scale Hydrogen Energy Storage Projects** (adopted March 2, 2021)

- a. That the American Public Power Association (APPA) urges federal policies to increase the research, development, and deployment of hydrogen technology for the electric utility sector, in addition to transportation and industrial uses; and
- b. That APPA believes that the hybrid use of renewable hydrogen and natural gas would help reduce greenhouse gas emissions and allow for the widespread adoption of and assessment of hydrogen use in electric generation; and
- c. That APPA urges Congress to provide equal incentives to all segments of the utility industry, including public power, in any programs to advance hydrogen deployment.

#### **3. Resolution 23-04 – On Promoting Reasonable Policies for Distributed Energy Resources** (adopted February 28, 2023)

- a. That the American Public Power Association (APPA) believes distributed energy resources (DERs), including distributed generation (DG) can play an important role in public power's energy portfolio, and APPA supports member utilities' efforts to safely and effectively install and facilitate the use of DERs; and
- b. That APPA believes that it is important that all DER customers pay their fair share of the costs of keeping the grid operating safely and reliably, recognizing the benefits provided by those customers. Thus, retail rate structures, including DER customer compensation policies, must be designed to reflect utility costs and benefits, and to assure that all those who benefit from the grid or provide benefits to the grid are sharing fairly in the cost of

building and maintaining it; and

- c. That APPA supports the utility owned and operated community solar ownership structure for solar DG projects, as this type of ownership can address many of the issues associated with DG usage; and
- d. That, in implementing the requirements of its Order No. 2222 addressing participation of aggregated DERs in wholesale markets administered by regional transmission organizations (RTOs) and independent system operators (ISOs), the Federal Energy Regulatory Commission (FERC) should respect the actions of public power distribution utilities in regulating the safety and reliability of their distribution systems; and
- e. That APPA applauds FERC's adoption in Order No. 2222 of the small utility "opt-in" mechanism under which customers of utilities that distributed 4 million megawatt-hours or less in the previous fiscal year may not participate in DER aggregations unless the relevant electric retail regulatory authority (RERRA) affirmatively allows such customers to participate in DER aggregations; and
- f. That APPA urges FERC to maintain its current rules for participation in demand response aggregations under which an RTO/ISO may not accept bids from a demand response aggregator of retail customers served by utilities that distributed more than 4 million MWhs in the previous year if the RERRA affirmatively prohibits wholesale market participation (opt-out), and for customers served by utilities that distribute 4 million MWhs or less, the ISO/RTO may not accept bids from an aggregator unless the RERRA affirmatively permits it (opt-in).

## **RELIABILITY**

**(Includes vegetation management and wildfires)**

**1. Resolution 23-07 – In Support of Federal Efforts to Address the Supply Chain Crisis for Distribution Transformers (adopted February 28, 2023)**

- a. That the American Public Power Association (APPA) urges immediate federal efforts to address the current supply chain crisis for critical grid components, such as transformers, which threatens public power utilities' ability to provide reliable and affordable power;
- b. That APPA requests the Department of Energy utilize Defense Production Act authorities to immediately increase the production of distribution transformers and urges Congress to appropriate adequate funding toward those authorities; and
- c. That APPA urges the federal government to adopt policies to further the development of the domestic production of transformers and to work directly with manufacturers to identify short and long-term solutions addressing the root causes of the distribution transformer shortage.

## **CYBERSECURITY AND PHYSICAL PREPAREDNESS**

## ENVIRONMENT

**(Includes climate, Clean Air Act, Clean Water Act, Resource Conservation and Recovery Act, Endangered Species Act, and National Environmental Policy Act)**

- 1. Resolution 23-09 – In Support of a Federal Clean Energy Standard That Reduces Greenhouse Gas Emissions to Address Climate Change While Keeping Electricity Affordable and Reliable** (adopted February 28, 2023)
  - a. That the American Public Power Association (APPA) supports regulatory certainty through congressional enactment of a federal clean energy standard (CES) to reduce greenhouse (GHG) emissions from the electric sector that protects affordability, reliability, and flexibility while incorporating the concepts in this resolution;
  - b. That legislation to create a federal CES should do all the following:
    - i. Establish a target of getting to net-zero emissions by 2050 to provide public power utilities with sufficient time to site, permit, and construct clean energy and transmission projects and for the commercial development of needed technologies, such as long-term energy storage, green hydrogen, advanced nuclear reactors, and carbon capture utilization and storage (CCUS).
    - ii. Be technology neutral, based on the level of GHG emissions generated by each technology and not on other factors.
    - iii. Avoid annual incremental increases in clean electricity goals to minimize the cost of compliance. Retiring, retrofitting, or retooling large fossil fuel-fired power plants will significantly reduce emissions. This clean energy transition will not occur in small, annual increments for individual utilities, but rather will happen in large blocks with no emission reductions in some years and significant reductions in others due to the retirement of existing fossil fuel-fired resources and/or the addition of zero-emitting resources.
    - iv. Include safety valves for reliability, affordability, and technology administered primarily by the Department of Energy (DOE) in consultation with the Environmental Protection Agency (EPA) and other federal agencies:
      1. A reliability safety valve is needed to ensure that as electric utilities increase their percentage of clean electricity resources, grid reliability is not compromised. Reliable and affordable electricity is essential to the nation's economic and national security, as well as vital to the health and safety of all Americans
        - a. States and regional transmission organizations/independent system operators (RTOs) should have an important role in assessing the reliability impacts of increasing reliance on

intermittent resources. The Federal Energy Regulatory Commission, North American Electric Reliability Corporation, DOE, and other federal entities should be obligated under a federal CES to ensure continued reliability.

2. A mechanism is needed that would temporarily pause a compliance obligation if retail electricity rates (including the cost of generation, transmission, and delivery to retail customers) go above the cost of inflation due to incremental costs specific to CES compliance. This would help prevent significant rate increases for customers, especially for economically disadvantaged individuals and families.
  - a. It should be designed in a manner that ensures electric utilities that need a cost cap can use it to contain costs and protect electric customers.
  - b. It must also consider that electric utilities in many states are subject to state clean energy requirements, some of which are additional to, and not overlapping with, the requirements of a federal CES. As such, a federal CES should seek to mitigate this redundancy by giving electric utilities credit for state compliance, or otherwise providing alternative compliance mechanisms that incorporate state (or local) mandates.
3. A mechanism to temporarily pause CES targets if technology does not develop to required commercial scale to make deep emissions reductions feasible, reliable, and economic.
- v. Create a zero-emission electricity credit (ZEEC) trading market only open to electric utilities and generators to help electric utilities comply with the CES. Under such a market, cost-containment measures are needed to ensure ZEECs do not get too expensive and are not subject to market manipulation.
  1. Such a trading program must allow for the long-term banking of ZEECs for a minimum of five years. Generation projects coming online or purchase power agreements by electric utilities are very unlikely to exactly match their annual compliance obligations. Increasing the period in which an electric utility can bank ZEECs will allow for more reasonable compliance approaches with a CES by allowing it to hold onto its surplus ZEECs for those years where it may be short of ZEECs.
- vi. ZEECs should transfer to the purchasing electric utility with an existing

agreement that provides for the transfer of renewable energy credits or other environmental attributes from the generator. Similarly, federal power customers should receive ZEECs associated with purchases of federal hydropower marketed by any of the federal Power Marketing Administrations or Tennessee Valley Authority.

- vii. Allow electric utilities that are subject to a state CES that is more stringent than a federal CES to monetize their ZEECs.
- viii. Allow electric utilities subject to clean electricity compliance obligations to receive ZEECs for investments they make that reduce GHG emissions outside the electric sector.
- ix. Make public power utilities eligible for all energy-related tax credits, both new and existing production tax credits and investment tax credits, as direct pay refundable tax credits.
- x. Require the federal government to make massive investments in technology development with an emphasis on dispatchable, GHG-free, or carbon-sequestered generation, such as advanced nuclear reactors, hydrogen, long-duration energy storage, pumped storage hydropower, predictive sensor technologies to optimize hydropower, CCUS, marine energy, etc.
- xi. As electric utilities increase their percentage of zero-emitting resources, a CES must ensure that dispatchable resources of all types are available to serve system loads until such time that grid-scale energy storage technology, including long-duration storage, is fully commercially developed, widely available, and cost effective to ensure grid reliability and rate affordability.
- xii. It should not include mandatory participation in an organized market, such as a regional transmission organization, for those entities not already participating in an organized market.
- xiii. Ensure that sufficient, cost-effective transmission is available to deliver clean electricity needed to meet a federal CES compliance obligation.
- xiv. Require the federal government to expedite the federal siting and permitting process to ensure the timely review and approval of clean energy and transmission projects needed by electric utilities to reduce GHG emissions.
- xv. Provide cash assistance to public power utilities that own fossil-fuel fired electrical generating units that become stranded assets due to their premature retirement from compliance with a federal CES to prevent significant rate

increases to customers.

1. Such assistance should be available to retire existing debt and cover the costs for the premature decommissioning of fossil fuel-fired units due to compliance with a federal CES.
- xvi. Fund grants through DOE to public power utilities for investments in grid technologies that enable available resources to meet demand, including demand response management, and technologies needed to integrate distributed energy resources, as well as electric vehicles and smart sensors.
- xvii. Fund grants through DOE and the Department of Transportation to public power utilities for electrification of transportation (terrestrial and maritime) infrastructure and emerging technologies, including hydrogen and other lower-emission transportation fuels produced by electricity.
- xviii. Allow alternative compliance payments to be made in lieu of meeting CES targets and have such funds be reinvested directly back into the communities served by electric utilities subject to clean electricity compliance obligations for activities they undertake that reduce GHG emissions.
- xix. Establish five-year check-ins by Congress with input from DOE and EPA, as well as other federal agencies and regulated entities, on how the CES is being implemented. The review should look at progress being made, any obstacles faced by electric utilities in achieving their compliance obligations, and the costs of compliance, as well as the ability to meet targets given the evolving technologies.
- xx. Indemnify facilities using CCUS technology and their associated sequestration activities to ensure CCUS is a viable option for reducing GHG emissions by electric utilities that own fossil fuel fired units. It must also ensure state policies do not result in units with CCUS technology becoming stranded assets.
- xxi. Direct the National Laboratories to partner with electric utilities and technology companies on the development and deployment of affordable technologies needed to achieve net-zero emissions by the power sector.
- xxii. Recognize all forms of hydropower as a zero-emitting resource and its importance in providing grid flexibility through dispatchability and other attributes that work in support of intermittent energy resources.
- xxiii. Recognize the importance of nuclear power as a reliable, dispatchable, high baseload capacity form of non-emitting generation. Existing nuclear power plant

need to be preserved and new nuclear technologies need to be developed to provide reliability and further reduce GHG emissions from the power sector.

- xxv. Recognize all forms of biomass generation as renewable resources and allow for their continued use by public power utilities in meeting their compliance obligations.
- xxvi. Allow electric utilities to use energy efficiency as a tool for compliance with a federal CES, but not include energy efficiency mandates on electric utilities, such as a federal energy efficiency standard, which would reduce the flexibility available to public power utilities as they transition to clean energy resources.
- xxvii. Provide public power utilities and their customers with federal incentives for energy efficiency, including rebates, grants, tax credits, and programs targeted to low-or fixed income households.
- xxviii. Consider the economic impacts to disadvantaged individuals and communities. Rate increases disproportionately harm the poor. A federal CES must balance targets and timelines with efficient and cost-effective emissions reductions to protect economically disadvantaged individuals and communities.

**ENERGY CONSERVATION**  
**(This includes all federal energy efficiency statutes)**

## **NUCLEAR POWER**

## **HYDROPOWER**

### **1. Resolution 21-07 – In Support of Facilitating the Removal and Relocation of Sediment from Hydropower Reservoirs Impacted by the Effects of Climate Change** (adopted March 2, 2021)

- a. That the American Public Power Association (APPA) supports federal policies to expedite the voluntary removal and redeposit of debris and sediment runoff from hydropower reservoirs that results from more frequent and extreme weather events. Facilitating disposal of sediment for beneficial use on adjoining federal lands should be encouraged and streamlined to more effectively address the environmental, operational, and financial impacts of climate change.

## **FEDERAL POWER PROGRAM**

**(Includes the Power Marketing Administrations, Tennessee Valley Authority, preference power, and federal power projects)**

- 1. Resolution 22-11 – In Support of Colorado River Basin Drought Assistance** (adopted March 1, 2022)
  - a. To mitigate impacts resulting from the current drought, the American Public Power Association (APPA) urges the Bureau of Reclamation and Western Area Power Administration to continue implementing cost-cutting measures and strategies to sustain the Upper Colorado River Basin Fund (Basin Fund) and the Colorado River Dam Fund (Dam Fund), and stabilize rates for the Boulder Canyon Project, Colorado River Storage Project, and Parker-Davis Project, and to work in partnership with customers to develop operational, financial, and rate-setting strategies; and
  - b. That APPA encourages Congress to provide non-reimbursable appropriations to the Basin Fund and Dam Fund to mitigate drought-related impacts and ensure funding of annual obligations to maintain the viability of the federal Colorado River Projects.
  
- 2. Resolution 22-12 – In Support of Hydropower, the Federal Columbia River Power System, and Opposing Breach of the Lower Snake River Dams** (adopted March 1, 2022)
  - a. Consistent with environmental protection, the American Public Power Association (APPA) opposes efforts to remove productive dams that provide, or have the potential to provide, clean and economic hydropower generation; and
  - b. That APPA opposes proposals to breach the Lower Snake River Dams, or the development of additional federal studies that presuppose removal of the Lower Snake River Dams, and encourages collaboration to help salmon in every part of their life cycle.

## COMMUNICATIONS

**(Includes spectrum, pole attachments, broadband, and Telephone Consumer Protection Act)**

- 1. Resolution 21-03 – In Support of Broadband Deployment and Local Control of Pole Attachments** (adopted March 2, 2021)
  - a. That the American Public Power Association (APPA) strongly supports the goal of providing every American with access to affordable broadband services;
  - b. That APPA continues to oppose any actions by the Federal Communications Commission (FCC or Commission) that eliminate local control and system oversight over public power pole attachments in contradiction of the language in section 224 of the Communications Act precluding the Commission from doing so; and
  - c. That APPA urges Congress to preserve long established federal law regarding public power utilities' local control and system oversight over pole attachments. Congress should not eliminate the municipal exemption in section 224 of the Communications Act.

**TRANSPORTATION**

**(Includes electric vehicles, drones, and rail)**

## NATURAL GAS

(Includes pipelines and CFTC)

### 1. **Resolution 22-03 – Addressing Acute Natural Gas Supply Scarcity and Price Spikes** (resolution adopted March 1, 2022)

- a. That the American Public Power Association (APPA) supports the recommendations relating to the protection of natural gas production and delivery infrastructure against extreme cold weather included in the November 2021 report prepared by the Federal Energy Regulatory Commission (FERC) and North American Electric Reliability Corporation (NERC) concerning the February 2021 Winter Storm Uri event (FERC- NERC Report); namely that: (1) Congress, state legislatures, and regulators with jurisdiction over natural gas production, gathering, processing, and transportation facilities should require those facilities to have cold weather preparedness plans; and (2) natural gas production, gathering, and processing facilities should consider implementing measures to protect against freezing and other cold-related limitations; and
- b. That APPA pledges to work with NERC, FERC, and other industry stakeholders as they develop requirements that: (1) include reasonable processes for identifying and protecting critical natural gas infrastructure loads from firm load shedding and/ or restricting such loads from participation in demand response programs; and (2) enhance reasonable winterization for electric generation facilities where not otherwise already implemented; and
- c. That APPA supports federal legislation that would allow federal authorities to cap the price at which wholesale sales of natural gas may be made during periods of acute supply shortage or to otherwise limit excessive natural gas wholesale prices.

### 2. **Resolution 22-09 – Derivatives and Risk Management for Public Power Utilities** (adopted March 1, 2022)

- a. That the American Public Power (APPA) believes that public power utilities have an ongoing and legitimate interest in accessing commodity and commodity derivatives markets to hedge utility operations risks, that the Commodity Futures Trading Commission (CFTC) should not take steps that will unnecessarily burden this ability, and at the very least, that public power utilities should have the same ability to hedge commercial operations related risks as other utilities; and
- b. That in the case of market manipulation in regional transmission organization markets, APPA recognizes that the CFTC's expertise in investigating manipulation is invaluable

and encourages the CFTC and Federal Energy Regulatory Commission to continue to work together to prevent manipulation in the energy markets.

## **DISASTER RELIEF AND HAZARD MITIGATION**

- 1. Resolution 22-06 – Public Power Position on Preparing for, Responding to, and Recovering from Disasters** (adopted March 1, 2022)
  - a. That the American Public Power Association (APPA) will continue to work with the Federal Emergency Management Agency (FEMA), Department of Energy, Department of Homeland Security, and other federal agencies to improve preparedness, coordination, communication and understanding between these federal entities, APPA, and utilities, and to streamline the administrative obstacles to procuring assistance during and after a major storm/event; and
  - b. That APPA will work with its members, other utility associations, and federal agencies to enhance communication, resource, and information sharing during preparation and recovery from disasters; and
  - c. That APPA will continue to educate and encourage all APPA members to sign the APPA mutual aid agreement, and be ready to assist other public power utilities in times of need; and
  - d. That APPA calls on Congress to reform the Stafford Act to improve the administration and determination of FEMA grants: to better enable utilities to use federal funds for disaster preparedness, prevention, and system resiliency investments; to expedite federal payments to utilities for both direct disaster responses and mutual aid payments; and to provide adequate federal funding for disaster response.

## CUSTOMER ISSUES

**(Includes the Low Income Home Heating Assistance Program and COVID-relief legislation)**

**1. Resolution 21-04 – The Need for a Strong Federal Response to the Economic Crisis Caused by the COVID-19 Crisis Pandemic (adopted March 2, 2021)**

- a. That the American Public Power Association (APPA) believes that Congress should immediately provide an emergency \$10 billion supplemental appropriations for the Low Income Home Energy Assistance Program increase income thresholds for eligible households, and increase the amount of funding that can be used for administrative expenses to ensure that these funds go to the households that need this critical relief; and
- b. That APPA believes that the Federal Emergency Management Administration should move swiftly to reimburse public power utilities for the costs of emergency protective measures in response to the COVID-19 pandemic, including by approving the costs for steps taken by public power utilities to ensure the life and safety of public power workers and customers; and
- c. That APPA believes that federal agencies, including the Departments of Treasury and Housing and Urban Development, should work to ensure that utility customer relief programs benefit all customers, including public power utility customers; and
- d. That APPA believes that Congress should treat public power utilities the same as other employers by granting them payroll tax credits to offset the cost of federally mandated emergency paid sick leave and emergency paid family leave; and
- e. That APPA believes that Congress should help state and local governments reduce the cost of existing debt by immediately reinstating the ability to issue tax-exempt advance refunding bonds.

## **PUBLIC POWER BUSINESS MODEL AND SERVICE TERRITORY**

### **1. Resolution 21-02 – Regarding Federal Involvement in Service Territory Disputes** (adopted March 2, 2021)

- a. That the American Public Power Association (APPA) strongly supports the rights of public power utilities to provide electric service within their corporate limits and adjacent urban growth areas.
- b. That APPA strongly opposes any legislation that would do any of the following:
  - i. Preempt state annexation laws and home rule provisions as provided for by some state constitutions;
  - ii. Prohibit the condemnation of electric cooperative territory when that territory is annexed by a municipality;
  - iii. Mandate a level of compensation to the cooperative that would render the service territory acquisition uneconomic and discourage the city from exercising its right to serve annexed areas;
  - iv. Prevent a municipality from franchising an alternative supplier to compete with the electric cooperative, or prohibit the municipality from collecting a franchise fee from a cooperative as a condition to operate within the city limits;
  - v. Mandate a new review and/or approval process for territory disputes irrespective of existing state laws or constitutional provisions; and
  - vi. Override or restrict, in any way, any local or state rules, regulations, ordinance, constitutional provisions or laws that have been established by a public body as a matter of public interest that govern the ability of public power utilities to serve all customers in their corporate limits and adjacent urban growth areas.

### **2. Resolution 22-07 – In Support of Protecting the Public Power Business Model** (adopted March 1, 2022)

- a. That the American Public Power Association (APPA) believes that decisions about the provision of critical utility services should be fully informed, fully transparent, and be made by the community without undue outside interference; and
- b. That APPA strongly believes the federal government should not encourage, pressure, or otherwise incentivize states and localities to privatize public facilities, the cost of which would ultimately be paid by residents and business; and
- c. That APPA will support communities seeking to initiate, expand, or maintain control over the provision of power in their communities by informing stakeholders and by

opposing any effort to impose pressure to privatize, whether by Executive Order, federal regulatory changes, or federal legislation.

## WORKFORCE ISSUES

### 1. **Resolution 22-10 – Federal Support for Utility Workforce Development Efforts** (adopted March 1, 2022)

- a. That the American Public Power Association (APPA) applauds the recognition of the need for expertise in energy workforce development or apprenticeship programs of states or units of local government as one of the qualifications to serve on the 21st Century Energy Workforce Advisory Board, a criterion for which public power utilities have unique expertise; and
- b. That APPA supports efforts to expand workforce training opportunities and resources for the electric utility sector, including efforts aimed at K-12, vocational, and college education and training; and
- c. That APPA urges Congress and the federal government to ensure the eligibility of local governmental entities in the workforce activities anticipated under any legislation, new programs, or recommendations; and
- d. That APPA calls on Congress and the federal government to ensure continuing education and apprenticeship programs for electric utility employees are eligible to receive federal workforce development funding and support