

**The 45th Utilities State
Government Organization
Annual Conference**



**July 15-18, 2023
Four Seasons
New Orleans, Louisiana**

**The 45th Utilities State
Government Organization
Annual Conference Sponsors**



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The 45th Utilities State Government Organization Annual Conference

2022-23 USGO Board

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At Large	Ryan Wolfe	<i>Eversource</i>

Past Presidents

2021-2022	Kevin Hennesy	Dominion Energy
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2018-2019	Laura Lutz	Evergy
2017-2018	Peter Trufahnestock	Columbia Gas
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2014-2015	Dan Moore	Eversource Energy
2013-2014	Mark Schreiber	Westar Energy
2012-2013	Gifford W. Ormes	Mississippi Power
2011-2012	Robert Smith	Northeast Utilities
2010-2011	Chuck Claunch	Duke Energy
2009-2010	John (JD) David	MidAmerican Energy
2008-2009	Alexander Nunez	Constellation Energy
2007-2008	Tom Armstrong	Exelon
2006-2007	Paul Renfrow	OGE
2005-2006	Lofton Cox	Mississippi Power
2004-2005	Jeanelle McCain	Progress Energy
2003-2004	Joe Farley	Delmarva Power
2002-2003	Ed Holcombe	Georgia Power
2001-2002	Mary Dempsey	Constellation Energy
2000-2001	Jim Morrison	Wisconsin Power
1999-2000	Johnny Atherton	Mississippi Power
1998-1999	Carlos Vazquez	The United Illuminating Company
1997-1998	Tara Ryker	Northern Indiana Public Service Co.
1996-1997	Andy Dreher	Entergy
1995-1996	Doug McCuen	New York State Electric & Gas
1994-1995	Kenyon Kies	Wisconsin Utility Association
1993-1994	Gary Roberts	Florida Power
1992-1993	Kevin Lynott	Public Service Electric & Gas
1991-1992	Don Speyer	Dayton Power
1990-1991	Hank List	Kentucky Power
1989-1990	Mike Rose	National Fuel Gas
1988-1989	Jim Roberts	Minnesota Power
1987-1988	Jim Griffith	Georgia Power
1986-1987	Jeff Fleming	Boston Edison
1985-1986	Ernie Varhola	Duquesne Light
1984-1985	Don Mason	Mississippi Power
1983-1984	Howard Shapiro	Energy Association of New York
1982-1983	Bill Saller	Public Service Electric & Gas
1981-1982	Bill O'Byrne	Baltimore Gas & Electric
1980-1981	Rick Oxender	Cincinnati Gas
	Jim Crawford	Pennsylvania Power & Light
1979-1980	Jim Crawford	Pennsylvania Power & Light
1978-1979	Dick Jones	Florida Power
1977-1978	Frank Kenny	Northeast Utilities

Past Conference Locations

2022	Virginia Beach, VA
2021	Virtual conference
2020	No conference
2019	Colorado Springs, CO
2018	Farmington, PA
2017	Hershey, PA
2016	Amelia Island, FL
2015	Norwich, CT
2014	Kansas City, MO
2013	Point Clear, AL
2012	Newcastle, NH
2011	Myrtle Beach, SC
2010	Chicago, IL
2009	Newport, RI
2008	Atlantic City, NJ
2007	Oklahoma City, OK
2006	New Orleans, LA
2005	Isle of Palms, SC
2004	Cambridge, MD
2003	Braselton, GA
2002	Rocky Gap, MD
2001	Egg Harbor, WI
2000	Destin, FL
1999	Mystic, CT
1998	French Lick, IN
1997	Myrtle Beach, SC
1996	Farmington, PA
1995	Lake Geneva, WI
1994	St. Simon's Island, GA
1993	Cooperstown, NY
1992	Sandusky, OH
1991	Orlando, FL
1990	Stratton, VT
1989	Alexandria, MN
1988	Charleston, SC
1987	McAfee, NJ
1986	Lake Geneva, WI
1985	Asheville, NC
1984	Morgantown, WV
1983	Cooperstown, NY
1982	Captiva Island, FL
1981	Wentworth-by-the-Sea, NH
1980	Hershey, PA
1979	Williamsburg, VA
1978	Atlantic City, NJ

2023 USGO Conference Agenda



Sunday July 16, 2023

2 pm	2023 Board Meeting	Wisteria Room <i>Board Members</i>
3 pm	Registration	Wisteria Room
5 pm	Opening Reception <i>Sponsored by Entergy Mississippi</i>	Vue Orleans, Four Seasons <i>Attendees and Guests</i>
8 pm	French Quarter Outing	Four Seasons Lobby <i>Attendees and Guests over 21</i>

2023 USGO Conference Agenda

Monday July 17, 2023

7:30 am	Breakfast	Magnolia Room <i>Attendees and Guests</i>
9 am	Opening Remarks Daryn Bovard <i>2023 USGO President</i>	
9:15 am	Industry Reports American Gas Association Edison Electric Institute Nuclear Energy Institute	
10 am	Break	
10:15 am	State Reports Northeast , Midwest	
12 pm	Lunch <i>Sponsored by BG&E</i>	Magnolia Room <i>Take out available for golfers</i>
12:30 pm	Golf Shuttle to English Turn Golf & Country Club <i>Sponsored by Mississippi Power</i>	Meet in Lobby
2 pm	Hurricanes & Hand Grenades <i>Sponsored by AGA, EEI, & NEI</i>	River Ballroom Foyer

Dinner on your own.

2023 USGO Conference Agenda

Tuesday July 17, 2023

7:30 am	Breakfast	Magnolia Room <i>Attendees and Guests</i>
9 am	Legislative/Regulatory Discussion: Senator Joel Carter, <i>Mississippi Energy Chairman</i> Lisa Smith, <i>Maryland PSC Legislative Affairs Director</i> Scott Barrios, <i>Entergy Electric Mobility Portfolio Manager</i>	
10:30 am	Break	
10:45 am	State Reports West, South	
12 pm	Lunch <i>Sponsored by BG&E</i>	Magnolia Room
1 pm	2023 Business Meeting	River Ballroom Foyer
2 pm	Sazeracs & Old Fashions <i>Sponsored by AGA, EEI, & NEI</i>	River Ballroom Foyer
6 pm	Closing Reception Sponsored by Entergy New Orleans	River Ballroom <i>Attendees and Guests</i>

2023 USGO Business Meeting Agenda

Tuesday July 17, 2023

1 pm

2023 Financials

Daryn Bovard

2023 USGO President

2023 Bylaw Amendments

2024 USGO Board

Officer Transition

Board Nominations

West district (UT, WY, AZ)

Midwest vacancies

Northeast vacancy

Board member elections

2024 USGO Conference

Todd Wynn

2024 USGO President



Speakers



The 45th Utilities State Government Organization Annual Conference Speakers

Christine Csizmadia

Senior Director, State Governmental Affairs & Advocacy, Nuclear Energy Institute

Christine is the Senior Director for State Governmental Affairs & Advocacy at the Nuclear Energy Institute (NEI) and has been with NEI for 16 years developing and managing state, local and grassroots programs. As the senior director of the state and local government affairs team at NEI, Christine manages coalition building, grassroots mobilization and state and local elected official outreach and education. Christine also runs integrated advocacy campaigns related to nuclear issues such as state efforts to preserve nuclear assets, federal regulatory oversight, advanced technology and used nuclear fuel. Christine also manages NEI's advocacy arm, Nuclear Matters, a coalition that seeks to inform and educate policymakers and the public on the value of nuclear energy.

Christine serves as the Vice President of the Foundation Board for the National Conference of State Legislatures and is an officer of the Board for the National Foundation of Women Legislators. She has also been active locally and nationally with both Women in Nuclear (WIN) and North American Young Generation in Nuclear (NAYGN), and served in various leadership positions including President of NAYGN 2012-2013 and selected for the 2022 WIN NEXT program.

Christine received her undergraduate degree from George Mason University and completed graduate studies at Johns Hopkins University in Political Communication.



The 45th Utilities State Government Organization Annual Conference Speakers

Jeff Ostermayer

Senior Director, Public Affairs, Edison Electric Institute

Jeff currently serves as senior director of public affairs at the Edison Electric Institute (EEI), a major industry trade association, where he focuses on policy issues impacting the electric power industry. Previously he served as lead communication specialist at Florida Power & Light Company (FPL) where he worked on communications activities on regulatory, energy storage, power delivery, and ESG issues.

Before joining FPL Jeff served as senior director of media relations at EEI. Jeff has also served as senior director of media relations for the National Association of Manufacturers.

He has extensive experience on Capitol Hill with U.S. Reps. Mark Foley and Tom Rooney. He also helped successfully lead Rep. Rooney's first campaign for the U.S. House.

Additionally, Jeff served in the Bush Administration as assistant press secretary at the Department of Homeland Security.

Jeff is an active member and a graduate of Leadership Florida. He holds a B.S. in Business Administration from Auburn University and an MBA from the University of Maryland Robert H. Smith School of Business.



The 45th Utilities State Government Organization Annual Conference Speakers

Matt Kiessling

Senior Director, State Affairs, American Gas Association

Matt Kiessling is Senior Director of State Affairs in the American Gas Association's Government Affairs and Public Policy group. He focuses on state advocacy initiatives that support the association's public policy priorities and brings to AGA more than two decades of experience directing successful public policy efforts.

Prior to joining AGA, Matt led state and local affairs at the Travel Technology Association where he guided the association's in-state lobbying and advocacy efforts across all fifty states. Earlier in his career, Matt oversaw multifaceted advocacy campaigns at a global public affairs firm, and he has served in various strategic and management roles on state and federal political campaigns.



The 45th Utilities State Government Organization Annual Conference Speakers

Senator Joel Carter

Chairman, Mississippi Senate Energy Committee

Mississippi State Senator Joel Carter, Jr. has served as the State Senator for District 49 in Harrison County since 2018. As the Chairman of the Mississippi Senate Energy Committee, he has been instrumental in shaping Mississippi's energy policy and expanding access to broadband internet service to unserved areas of the state. Sen Carter also serves as a member of the Corrections, Finance, Highways & Transportation, Ports and Marine Resources, and Tourism Senate Committees where he has championed many important issues for the Mississippi Gulf Coast and the State as a whole.

Senator Carter was recently elected by his peers around the nation to serve as the incoming 2022-2023 Chairman of the Energy Council, a non-partisan legislative organization founded in 1975 that allows legislative policymakers to maintain a dialogue and learn more about developing energy issues.



The 45th Utilities State Government Organization Annual Conference Speakers

Lisa Smith

Director, Legislative Affairs, Maryland Public Service Commission

Lisa Smith has served as the Director of Legislative Affairs for the Maryland Public Service Commission since January 2019 and recently completed her 13th legislative session in Annapolis. Ms. Smith serves as the Commission's primary representative before the Maryland General Assembly. She is an Attorney licensed in Maryland and New York and graduated from McGill University in Montreal, Quebec, Canada with a Bachelor's degree in Political Science (2006) and degrees in Common Law and Civil Law (2011).



The 45th Utilities State Government Organization Annual Conference Speakers

Scott Barrios

Manager, Electric Mobility Portfolio, Entergy

Scott leads the utility's strategy and products for transportation electrification across Louisiana, Texas, Mississippi, and Arkansas. He joined Entergy in 2019, serving as the manager of business development in Entergy's innovation hub and as an electrification project manager. Prior to Entergy, Scott was a consultant advising the federal government on various policy issues.

Scott is also the President of the Board of Louisiana Clean Fuels, an US DOE-designated Clean Cities Coalition.



State Reports

Arizona

Population:	7.359 million (2022)
Registered Voters:	4,168,416 (April 2023)
Republican:	1,441,026 (34.57%)
Democratic:	1,263,056 (30.30%)
Other:	1,430,950 (34.33%)
Libertarian:	33,367 (0.8%)
Regulated IOUs:	Arizona Public Service Company (APS), Tucson Electric Power (TEP), UniSource Energy Services (UES)
Other Providers:	Salt River Project (SRP), Cooperatives

Statewide Office Summary

Governor:	Katie Hobbs (D)
Secretary of State:	Adrian Fontes (D)
Attorney General:	Kris Mayes (D)
Treasurer:	Kimberley Yee (R)
Superintendent of Public Instruction:	Tom Horne (R)
Mine Inspector:	Paul Marsh (R)

Executive Updates

- Governor Katie Hobbs was inaugurated in January and is the first Democratic Governor Arizona has had since Janet Napolitano termed out in 2009. Republicans remain in narrow control of both chambers of the state legislature.
- A state budget was passed in May. Some of the Governor's priorities reflected in the \$17.9 billion budget include funding for K-12 education and school facilities, expansion of the state's health insurance program for children, and an ad hoc committee to analyze the Empowerment Scholarship Account (ESA) program. Other highlights include an overall increase to the Arizona Corporation Commission from FY23, funding for high priority transportation projects, and funding for capital projects in communities affected by the closure of coal power plants.

Regulatory Summary

The Arizona Corporation Commission regulates all non-municipal utility companies and oversees the incorporation of businesses, securities regulation, and railroad/pipeline safety. The Commission is a constitutionally established state office consisting of 5 members elected in statewide contests for 4-year terms.

Commissioners:

- Jim O'Connor, Chair (R - 2025)
- Lea Marquez Peterson (R - 2025)
- Nick Myers (R - 2027)
- Kevin Thompson (R - 2027)
- Anna Tovar (D - 2025)

AZ Continued

Regulatory Updates:

- Community Choice Aggregation Docket
- Coolidge Plant
- JET Docket
- Rate cases

Legislative Summary

The Arizona State Legislature is a bicameral body with 30 members in the Senate and 60 members in the House of Representatives. Each district is served by one Senator and two House members. Members are elected for two-year terms and may serve only four consecutive terms in each house. However, once serving the limit, members are eligible to swap chambers or become eligible to serve again after two years.

The Legislature meets once annually for a Regular Session. Regular Session starts on the second Monday in January and is normally lasts about 100 days or until a budget is passed, and the House and Senate can vote to extend the session as the deem necessary.

Chamber Stats:

- House: 31 Republicans and 29 Democrats
- Senate: 16 Republicans and 14 Democrats

Legislative Updates:

While the legislative session is still on-going, the Arizona utilities were involved in several bills, including three priority bills that have a direct impact on utility operations.

HB2496 – Transmission lines; definition

Bill Summary: For the purpose of the requiring from the Power Plant and Transmission Line Siting Committee, “transmission line” means five or more new structures that span more than one mile in length and that are erected above ground and support on or more conductors designed for the transmission of electric energy, and excludes structures located on the substation, switchyard, or generating site to which the line connects.

Bill Fact Sheet

Supporters: Utility Caucus, Arizona Solar Energy Industries Association, Irrigation and Electrical Districts Association of Arizona

Opposition: Sierra Club, Arizona Attorney General

Legislative Summary: Passed House 38-22; Passed Senate 16-13; Signed by Governor on 4/5/2023

SB1501 – Electric Vehicle Charging Stations

Bill Summary: Charges, rates, tolls and rental fees that are received by a public service corporation or electricity supplier, including an electric cooperative, for any commodity or service are prohibited from being used to build or operate an electric vehicle charging station or a commercial charging facility, but may be used for “make-ready infrastructure” (defined as the electrical infrastructure that is required to service an electric vehicle charging station’s electrical load on the electricity supplier’s or customer’s side of the electric meter). An affiliate of an electricity supplier that provides, owns, operates or maintains electric vehicle charging stations is required to do so on the same rates, terms and conditions that are offered to private providers of electric vehicle charging stations in the electricity supplier’s service territory.

AZ Continued

- Bill Fact Sheet

Supporters: Arizona Petroleum Marketers Association, AARP, Western States Petroleum Association, Circle K, Free Enterprise Club

Opposition: Utility Caucus, AZ Solar Energy Industries Association, Sierra Club, Chambers

Legislative Summary: Passed Senate Commerce and Rules Committees; Hearing scheduled 3/10/2023

– no action since

HB2440 – Electric energy; power companies; priorities

Bill Summary: A public power entity or public service corporation responsible for its service territory would have been required to conduct infrastructure planning and investments to maintain reliable and affordable electric service. The governing body of a public power entity or a public service corporation would have been required to provide electric service at just and reasonable rates. When making decisions regarding the planning, investment, procurement and operation of electric generation, transmission and distribution resources, a public power entity or public service corporation would have been required to prioritize the reliability of the grid and affordability of the cost to electric retail customers.

- Bill Fact Sheet

Legislative Status: Passed House 31-29; Passed Senate 16-13; Vetoed by Governor on 4/3/2023

Supporters: Free Enterprise Club,

Opposition: Arizona Corporation Commission, Sierra Club, AZ Solar Energy Industries Association, Arizona Technology Council

Budget Updates:

- Governor Hobbs signed a \$17.8 billion bipartisan budget, including \$2.88 billion in one-time spending, on May 11, 2023. Some highlights include:
 - A \$13 million increase from the FY23 budget to the Arizona Corporation Commission;
 - \$9 million for economic transition resources, to be distributed to a nonprofit organization for capital projects, economic sustainability developments, and broadband projects located within 25 miles of a coal mine that closed within the past five years;
 - \$2.5 million for electric vehicle charging and advance fuel infrastructure at ADOT facilities open and accessible to the public;
 - \$89 million to widen I-10 between Chandler and Casa Grande; and
 - A \$25 million rural broadband accelerated match fund deposit that will provide funding for projects that need a match to secure federal monies for projects related to broadband expansion
- The budget includes several critical provisions that Democratic Governor Katie Hobbs negotiated with the Republican-led legislature, including:
 - \$300 million in one-time spending for K-12 schools, plus \$342 million for school facilities and \$88 million in funds that are ongoing;
 - A one-year reprieve from the Aggregate Expenditure Limit;
 - A bipartisan ad hoc study committee to analyze the Empowerment Scholarship Account (ESA) program; and
 - Expansion of the state's health insurance program for low-income children, KidsCare, to allow over 20,000 additional children to join the program in the next two years.

Connecticut

The Connecticut 2023 legislative session proved to be a challenging one for the company. Historically, the state's utility companies have partnered with regulators (PURA) to keep complexities of rate design out of the legislative process. Unfortunately, this year took a different turn as the energy supply rate in CT, soared to \$0.24 KWh for the regulated standard service option for customers. The public and political outcry of higher bills helped galvanize support for legislation targeting the electric utilities.

The bills that were worked on this session are highlighted in this report.

As always, we on the Government Affairs team need to thank all our subject matter experts and departments across the company, who shared their time and expertise with us throughout this session. Passing good bills and mitigating harmful ones is a team effort that we could not accomplish without all of you.

A major focus of this session was SB 7- AN ACT STRENGTHENING PROTECTIONS FOR CONNECTICUT'S CONSUMERS OF ENERGY

The bill was introduced by the Energy & Technology Committee chaired by Sen. Norm Needleman and Rep. Jonathan Steinberg and ranking members Sen. Ryan Fazio and Rep. Bill Buckbee. Said to be a bill to help reduce energy costs, it does nothing to reduce customers' costs or move forward the state's clean energy goals. The Committee passed the original version of the bill as a work in progress. The Committee vote was 16 in favor, 4 against, on March 14. The bill was then placed on the Senate calendar. After several iterations, the Senate subsequently passed the bill unanimously with one abstention on May 26. The bill then passed the House on June 5, 115 in favor and 33 opposed. During the House debate, several Republican legislators asked significant clarifying questions of the proponent to establish legislative intent.

While the bill impact is still troublesome, the team was able to negotiate changes to several harmful sections as outlined below. Additionally, a few changes to SB 7, were incorporated in the budget implementor bill:

Sec. 2 - ATTORNEY, CONSULTANT & EMPLOYEE COSTS.

- Utilities cannot recover costs for attorneys, consultants and employees for rate cases and the RAM rate proceedings. –
- Deleted more expansive text that had applied to all contested cases.

Former Sec. 5 - SUPPLY EFFICIENCY FACTOR FOR ELECTRIC COMPANIES.

- Allowed PURA to establish an "efficiency factor" for energy supply purchases and if a Utility does not meet it PURA can prevent recovery in rates of some portion of the state gross earnings tax. –
- Was deleted from final version of the Bill.

Former Sec. 6 - OFFICER COMPENSATION.

- Whenever there is an increase by more than 10% of the energy supply portion of bills, the gas commodity portion of bills or the water company rate adjustment mechanism, then the affected utility has to provide a credit to its customers in an amount equal to the total compensation of its executives that is recovered directly or indirectly through state retail rates. –
- Was deleted from final version of the Bill.

Sec. 8 - WHEN PURA CAN CONVENE A RATE CASE.

- PURA can elect to convene a general rate hearing for an electric, gas or water company any time it deems necessary unless a final PURA decision specifies when the next rate hearing will be held. –

CT Continued

- Language was added that would allow a utility to recover its rate case costs if PURA concludes existing rates and the existing ROE are just and reasonable.

Sec. 12 - REPORTING ACCIDENTS.

- Increases the scope of reporting accidents to PURA and increases the fines from \$500 per event to \$1,000 per day per violation. –
- Deleted language that disallowed all costs to comply with this section. The only amounts that can be disallowed are fines or restitution ordered by PURA.

Sec. 17-20 - STORM CREDITS UNDER 96-HOUR STANDARD.

- Amends statute awarding a storm credit, so it does not apply to larger storms where 70% or more of customers are out of power. PURA will decide, in PURA's "sole discretion" when the 96-hour clock starts.
- Deleted text that PURA cannot grant a waiver of the storm credit for all storms at Event Level 5 (in which 10% or less of customers are out of power.)

The CT Budget Implementer Bill (H.B. 6941) made the following changes to Senate Bill 7:

Delayed Start Date of Cost Disallowance Provision for Consultants and Employees - Section 118:

- The provision disallowing recovery of costs for consultants and in-house employees in rate proceedings will take effect on 1/1/24 instead of on 7/1/23.

Deletion of Section Allowing a Single Commissioner to Decide Uncontested Cases - Section 415:

- Deletes the provision in Section 21 of Senate Bill 7 that allowed the Chair to appoint a single Commissioner to a docket and provided that one Commissioner could decide a case. As a result, all cases before PURA require a vote of 3 Commissioners.

The Governor Selects the next PURA Chair - Section 121:

- Starting on 6/30/2023, the Governor shall select the Chairperson of PURA from among the 3 commissioners. The selected Chairperson shall serve a 2-year term.

Other Important Bills That Were Passed:

SB 896 - AN ACT CONCERNING TREE REMOVAL ON PROPERTIES UNDER THE CONTROL OF THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION.

This proposal would improve transparency and establish standards for the removal of trees that constitute an immediate public hazard at state parks and campgrounds.

The company supports this proposal as it requires the DEEP Commissioner to report annually, beginning by January 1, 2024, to the Environment Committee on the department's hazardous tree removal activities in state parks during the prior year.

- The bill passed the House and Senate

SB 965 - AN ACT PROVIDING FUNDING FOR THE REMOVAL OF HAZARDOUS OR DEAD TREES BY MUNICIPALITIES.

This proposal will provide additional funding to municipalities for the removal of dead or hazardous trees in public areas and along town roads.

- The bill passed the House and Senate

SB 1143 - AN ACT CONCERNING SOLID WASTE MANAGEMENT THROUGHOUT THE STATE.

This proposal would require approval of revisions to the state's solid waste management plan and the Comprehensive Material's Management Strategy by the legislature's Environment Committee, prescribe certain signs concerning reverse vending machine outages and require the issuance of an RFI relating to the management of the state's solid waste stream.

- The bill passed the House and Senate

CT Continued

SB 1147 - AN ACT CONCERNING THE ENVIRONMENTAL JUSTICE PROGRAM OF THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION.

This proposal is intended to enhance the environmental and public health considerations made under the state's environmental justice statute and provide the Department of Energy and Environmental Protection and the Connecticut Siting Council with the ability to deny certain permits for a new affecting facility and apply conditions to the expansion of an existing facility.

- The bill passed the House and Senate

HB 5641 - AN ACT CONCERNING PROCEDURES TO PREVENT UTILITY SERVICE TERMINATIONS AT RENTAL PROPERTIES

This proposal aims to provide owners of nonresidential business rental property of up to 12,000 sq. ft. of floor space to protect their property from damage due to non-payment termination. Upon request of an owner who certifies in writing to the utility that they are the owner of such property, they will be notified by the utility when the property will be disconnected from service and the service will be transferred to that owner.

Deleted from this bill were residential rentals and fines on the utilities if they failed to notify the owner.

- The bill passed the House and Senate

HB 6479 - AN ACT CONCERNING CLIMATE RESILIENCY FUNDS AND PROJECTS.

This proposal would authorize the Treasurer to invest funds on behalf of municipalities that establish Coastal Resiliency Reserve Funds and to require the Department of Energy and Environmental Protection to maximize the state's receipt of federal funds for climate resiliency projects undertaken by the state and municipalities.

- The bill passed the House and Senate

HB - 6496 AN ACT CONCERNING TEST BED TECHNOLOGIES

This proposal aims to facilitate the consideration of cost-saving technology by evaluating and testing the technologies at state agencies. The bill establishes a board within OPM, the board may recommend that an agency use a test project in its operations for 30 to 60 days.

- The bill passed the House and Senate

HB - 6851 AN ACT IMPLEMENTING RECOMMENDATIONS OF THE HYDROGEN TASK FORCE

As the title suggests this proposal will implement the recommendations of the Hydrogen Task Force.

The company supports this proposed legislation as it will extend certain wage and workforce requirements to clean hydrogen projects and requires DEEP to seek federal funding for projects that advance clean hydrogen in the state.

- The bill passed the House and Senate

Other Important Bills That Did Not Pass:

SB 979 - AN ACT CONCERNING THE ESTABLISHMENT OF THE CONNECTICUT HOME ENERGY LABEL AND THE TREE CANOPY OF CERTAIN MUNICIPALITIES.

This proposal was a Governor's Bill. Government Affairs successfully removed harmful language in Section 1 of this proposal that provided DEEP authority to seek proposals for transmission resources and associated infrastructure procurement.

- This bill was not called in either Chamber.

HB 5634 - AN ACT INCREASING FUNDING FOR ENERGY EFFICIENCY PROGRAMS.

This proposal would supplement funding for energy efficiency programs identified in the Conservation and Load Management Plan by allocating twenty million dollars from the state budget to support such programs.

- The company supported this proposal but, given its fiscal note, the bill was not called in either Chamber.

CT Continued

HB - 6724 AN ACT CONCERNING UTILITY CUSTOMER PAYMENT PLANS, EXTENDING THE SHUTOFF MORATORIUM FOR CUSTOMERS AND PERMITTING HARDSHIP CUSTOMERS TO ENROLL WITH ELECTRIC SUPPLIERS

This proposal would (1) permit the Public Utilities Regulatory Authority to authorize utility customer amortization agreements of up to thirty-six months or longer, (2) permit the authority to make grants to legal organizations and attorneys that assist customers with enrolling in utility-sponsored bill payment programs, and (3) extend the shutoff moratorium for hardship customers of gas and electric companies.

- This bill was not called in either Chamber.

HB - 6764 AN ACT CONCERNING A SOLAR UNIFORM CAPACITY TAX AND MODIFICATIONS TO THE STATE'S RENEWABLE ENERGY PROGRAMS.

This proposal will (1) study the ramifications of directing electric distribution companies to recover the costs of transmission upgrades related to residential solar installations from all customers, (2) replace the property tax regime for solar installations above a certain size with a uniform capacity tax, (3) expand the zero-emissions, nonresidential renewable program and allow unused annual capacity in other programs to be allocated to this program, (4) redefine "low-income" in the shared clean energy facility program to align with the federal Inflation Reduction Act, and (5) study sites in the state suitable for new solar construction. This was identified as Chairman Steinberg's main vehicle for solar projects. Government Affairs has been tracking this proposal for any language that would shift the cost to customers, which we would oppose.

Below are some more key elements of the proposal:

- Exempts certain solar facilities larger than 25 kW from the property tax and establishes a "solar uniform capacity tax" for facility owners. The uniform solar tax would be sent to DRS which would deposit half the tax in a special solar tax account that would be redistributed to municipalities based on its share of solar capacity.
- Expands NRES capacity from 100 to 200 MW (although it may only be 160 MW due to unchanged law that caps NRES and SCEF programs).
- Allows unused capacity under NRES cap to be reallocated to other programs
- Changes the income eligibility for SCEF capacity set aside for low and moderate income customers.
- Requires DEEP to identify state properties that could be leased for solar facilities with at least 2 MW capacity by next session.
- Requires DEEP to identify properties in the state to locate solar facilities with at least 2 MW capacity.
- The bill passed in the House, did not receive a vote in the Senate

Governor's Budget:

HB - 6941 AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2025, AND MAKING APPROPRIATIONS THEREFOR, AND PROVISIONS RELATED TO REVENUE AND OTHER ITEMS IMPLEMENTING THE STATE BUDGET.

As indicated previously, the following sections of the CT Budget Implementer Bill impact utilities, including amending certain aspects of Senate Bill 7:

- Section 118, starting at Line 3,590: The provision disallowing recovery of costs for consultants and in-house employees in rate proceedings takes effect on 1/1/2024.
- Section 121, starting at Line 3,801: Starting on 6/30/2023, the Governor shall select the Chairperson of PURA from among the 3 commissioners. The selected Chairperson shall serve a 2-year term.
- Section 415, starting at Line 22,807: Repeals Section 21 of Senate Bill 7 on the power of PURA commissioners. Repeals the provision in Section 21 of Senate Bill 7 that had allowed the Chair to be the single vote on all uncontested dockets. As a result, all cases before PURA require a vote of 3 Commissioners.

CT Continued

- Section 373, starting at Line 18,931: The discussion of the historic homes rehabilitation tax credit that was proposed in HB 6920. The bill changes the taxes against which historic homes rehabilitation tax credits may be claimed. For credits issued on or after January 1, 2024, the bill instead allows (1) nonprofit corporations to claim the credits against the unrelated business income tax and (2) all other taxpayers to claim them against the personal income tax. In doing so, the bill allows people and nonprofits receiving these credits to apply them against their own state tax liability. Credits applied against the income tax are refundable for any amount of the credit that exceeds the taxpayer's liability. Nonprofits applying them against the unrelated business income tax may carry forward any unused credits for up to four income years, just as current law allows for business taxpayers claiming the credits.

State Pier Funding:

On 5/30/23 the Connecticut Port Authority (CPA) held a special Board Meeting where they announced an increase of \$47M to the State Pier redevelopment project, bringing the total new Guaranteed Maximum Price (GMP) to \$272.5M.

Additionally, the CPA announced that the Eversource Orsted JV would be contributing 50% of the additional cost, increasing the JV commitment by \$23.75M on top of the original \$77.5M JV commitment. CPA will seek the remaining \$23.75M, plus an owner's contingency of \$6.5 million from the State in additional bonding.

On 6/7 the revised Bond Act was released and subsequently passed the House and Senate which included in Section 78 of the bill the additional \$30M in requested bond authorization.

Kansas

Capitol City: Topeka

Primary Election: August 6, 2024 (Full House and Senate)

General Election: November 5, 2024

Legislature convenes annually on the second Monday in January. There is a “spring break” of a few weeks in April, followed by veto session in early May. There are no term limits.

Governor: Gov. Laura Kelly (D) – elected in 2018
Four-year term, two-term limit

Senate: 29 R + 11 D = 40 total
Four-year terms - next election 2024
Senate President – Ty Masterson – (R-Wichita area)
Minority Leader – Dinah Sykes (Johnson County/Metro KC area)
Major Utility Committee – Senate Utilities (11 members)
Chair – Currently vacant

House: 85 R + 40 D = 125 total
Two-year terms, next election 2024.
Speaker – Dan Hawkins (R-Wichita)
Minority Leader – Vic Miller (Topeka)
Major Utility Committee – House Energy, Utilities & Telecommunications (17 members)
Chair – Leo Delperdang (R-Wichita)

Regulatory Body:

Kansas Corporation Commission (KCC)

- Three-person commission appointed by the Governor. Confirmed by the Senate.
- Chairman is Dwight Keen.

Congressional Delegation

- Senator Jerry Moran (R) – next election 2028,
- Senator Roger Marshall (R) – next election 2026
- 1st Tracy Mann (R) – since 2021
- 2nd Jake LaTurner (R) – since 2021
- 3rd Sharice Davids (D) – since 2019
- 4th Ron Estes (R) – since 2017

KS Continued

LEGISLATION - 2023 SESSION

The Kansas Legislature adjourned April 29, 2023, after passing the omnibus budget and a school funding package during a very short, but dramatic Veto Session. During an attempt to override the Governor's veto of the flat-tax bill, one of the Republican party's major initiatives for the Session, the Senate Utilities chair switched his vote on a motion to reconsider, thus negating a second override attempt. The Senate President then immediately removed him as chair of the Utilities committee. A new committee chair has not been announced. The failure of that tax relief package leaves the budget at its highest ending balance in state history, with plenty of room next year to provide tax relief in advance of the August primaries. The 2023 session saw several intense debates on Right of First Refusal; election of state corporation commissioners; and transmission delivery charges (TDC). Of those, the only bill to pass was a bill aimed directly at Evergy, seeking to remove the utility's ability to annually recover transmission investment. After weeks of negotiation with proponents of the bill, which included the KCC (who introduced the bill); the state Chamber; AFP; Kansans for Lower Electric Rates; and the group representing large industrial customers, a compromise reducing Evergy's ROE on transmission investment and requiring more oversight at the KCC, passed.

- **Right of First Refusal (ROFR) – SB 68** passed the Senate Utilities committee but did not receive consideration on the Senate floor. An interim committee over the summer will explore transmission siting, eminent domain, and several other issues associated with transmission infrastructure. Despite passing the Senate, the bill stalled out because many legislators told Senate leadership they did not want to vote on the issue. NextEra argued strongly that ROFR prevented competition in the process; Evergy, ITC, and several co-ops argued that it was an issue of local control, affordability, and reliability.
- **Election of KCC Commissioners – HB 2154** did not advance, though we do expect this issue to come up next year. This is another issue being pushed by large industrial customers and KLER, as they continue their relentless narrative that Kansas rates are not regionally competitive. There seems to be interest in pursuing an expansion of the Commission, but support for electing commissioners is waning.
- **Transmission Delivery Charge (TDC) – HB 2225 PASSED** and becomes law July 1. After much negotiation, the TDC mechanism was preserved, but Evergy agreed to a reduction in the rate of return on local transmission projects and more oversight from the commission on local projects. The result of the bill was a slight negative impact on EPS going forward, but the original bill, had it passed, would have had a severe impact to our credit rating.
- **Net-metering and PPAs – HB 2228 and HB 2227** In exchange for delaying consideration of two solar-related bills, the utility industry agreed to meet with net-metering advocates over the summer to discuss changes to the net-metering law. Advocates want removal of a cap on the number of customers that can participate, as well as increasing system sizes. The industry wants consumer protections, as we continue to see a rise in questionable rooftop solar companies.
- **Low-income tariff – HB 2156** Did not advance. This bill, introduced by the Citizens Utility Ratepayer Board (CURB), would allow utilities to offer a special rate for qualified, low-income customers. CURB is revisiting the language and may propose a revised version in 2024.

KS Continued

Wind-turbine light mitigation technologies – SB 49 PASSED. A 2022 summer interim committee reached agreement on proposed legislation to address a topic that had surfaced during the 2022 session. The bill requires new and existing wind farms to install technology that will suppress turbine lights unless radar senses aircraft in the area. The timing of the required installations depends on FAA approval as well as whether the wind farm is new or existing.

Evergy is currently in its first base rate case since the merger in 2018.

Kentucky

CAPITOL CITY: Frankfort
GOVERNOR: Andy Beshear – elected 11/2019
GENERAL ELECTIONS: First Tuesday in November (Nov 7, 2023)

LEGISLATURE CONVENES:

The Kentucky Legislature convenes in Regular Session for 60 days on the first Tuesday in January of even numbered years, and for 30 days on the first Tuesday in January in odd-numbered years. It convenes in Special Sessions at the call of the Governor.

SENATE:

TERM: 4 years
PRESIDING OFFICER(S): Robert Stivers (R), President
David Givens (R), President Pro Tem
Damon Thayer (R), Majority Floor Leader
Julie Raque Adams (R), Majority Caucus Chair
Mike Wilson (R), Majority Whip
Gerald A. Neal (D), Minority Floor Leader
Reginald Thomas (D), Minority Caucus Chair
David Yates (D), Minority Whip
MAJOR UTILITY COMMITTEE: Natural Resources & Energy

HOUSE:

TERM: 2 years
PRESIDING OFFICER(S): David Osborne (R), Speaker of the House
David Meade (R), Speaker Pro Tem
Steven Rudy (R), Maj. Floor Leader
Suzanne Miles (R), Majority Caucus Chair
Jason Nemes (R), Majority Whip
Derrick Graham (D), Minority Floor Leader
Cherlynn Stevenson (D), Minority Caucus Chair
Rachel Roberts (D), Minority Whip
MAJOR UTILITY COMMITTEE: Natural Resources and Energy

CURRENT LEGISLATIVE ISSUES:

Energy reliability	Fossil-fuel protection
Data/Consumer Protection	Energy Affordability
Renewable/Alternative Natural Gas	FAC Calculation/Process
Alternative ratemaking	Utility “work zone intrusion” traffic laws
Securitization	Eminent Domain
Vegetation Management	Cybersecurity

KY Continued

REGULATORY BODY: Kentucky Public Service Commission

MEMBERS: Kent Chandler, Chair (Appt 7/20, Term expires June 30, 2024)
Angie C. Hatton, Vice Chair (Appt 3/23, Term expires July 1, 2025)
Mary Pat Regan, Commissioner (Appt 7/22, Term expires July 1, 2023)

METHOD OF APPOINTMENT/ELECTION:

The Public Service Commission consists of three members appointed by the Governor to 4-year staggered terms, with one commissioner appointed to function as Chair and another as Vice Chair. The Commission appoints an Executive Director who is responsible for the daily operation of the Commission. Gubernatorial appointments must be confirmed by the KY Senate.

CURRENT REGULATORY ISSUES:

Retirement of Fossil Fuel Generation	Affordability & Reliability
Advanced Metering/Smart Grid	Pole attachment regulations
Siting of Utility Scale Solar	Sufficiency of current IRP process
FAC calculation/process	Alternative ratemaking
Securitization	Relief for Energy Intensive Industries in KY
State Energy Policy	Federal v State Authority over Transmission Grid
Net metering rates/regulations	Energy Efficiency/Demand Side Management

Summary of Legislation

2023 Session of the KY General Assembly

* New laws take effect 90 days after adjournment of the legislature unless they have special effective dates, are general appropriation measures, or include emergency clauses that make them effective immediately upon becoming law. Final adjournment of the 2023 session was on March 30th, making June 29th the effective date for most bills passed this session.

Energy/Company-Related Legislation that Passed:

SB 4 (Retirement of Fossil Fueled Electric Generators) (Mills, R) Prohibits the Public Service Commission from approving a request by a utility to retire a fossil fuel-fired electric generator unless the utility demonstrates that the retirement will not have a negative impact on the reliability or the resilience of the electric grid or the affordability of the customer's electric utility rate; require the Public Service Commission to submit an annual report on retirements of electric generating units by December 1 to the Legislative Research Commission. Provides that the Public Service Commission shall have the authority to approve or deny the retirement of an electric generating unit owned by a utility. Prohibits a utility from recovering for stranded assets unless necessary conditions are satisfied. (Became law w/o Governor's signature)
(Emergency clause) Committees – Senate Natural Resources & Energy, House Natural Resources & Energy

SB 126 (Change of Venue in Civil Actions) (Howell, J) Establishes a method for obtaining a change of venue in specified civil actions challenging the state in constitutionality cases. Provides that the Attorney General, as an intervening defendant, may seek a change of venue within 30 days of intervention. (Vetoed, Veto Overridden) (Emergency clause) Committees – Senate Judiciary, House Judiciary

KY Continued

SB 192 (Kentucky Power Securitization Bill) (Wheeler, P) Allows investor-owned electric utilities to use securitization to recover costs associated with both extraordinary costs and costs associated with the retirement of electric generation of more than \$200 million dollars for a single regulatory asset or more than \$275 million for multiple regulatory assets; prescribes the contents of an application for a financing order; prescribes the way proceedings of the commission will handle applications for financing orders; requires a decision of the commission on securitization to be predicated on fair, just, and reasonable and the public interest of the utility customers; allows for securitization of deferred costs, judicial review, obtaining advisors and other consultants; requires the commission to make a decision in 180 days; and contains additional provisions necessary to implement securitization. *As written this bill is only intended to apply to Kentucky Power (Signed by the Governor) Committees – Senate Natural Resources & Energy, House Natural Resources & Energy

SB 226 (Environmental Permitting) (Turner, J) Eases the process for pollution discharge permits issued to companies engaged in surface mining. (Vetoed, Veto Overridden) Committees – Senate Natural Resources & Energy, House Natural Resources & Energy

SB 281 (Alternative Fuels) (Howell, J) Requires the Finance and Administration Cabinet to implement a strategy to replace 50% of vehicles managed by the Office of Fleet Management with hybrid or alternative fueled vehicles; changes the date by which the strategy must be implemented from January 1, 2014, to January 1, 2026; Requires an increase in the use of alternative fuels that is commensurate with the increase in vehicles managed by the Office of Fleet Management that are capable of utilizing those alternative fuels. (Signed by Governor) Committees – Senate Natural Resources & Energy, House Agriculture

SJR 79 (Nuclear Energy Development Working Group) (Carroll, D) Establishes the Nuclear Energy Development Working Group; attaches the working group to the Energy and Environment Cabinet for administrative purposes and staff support; establishes the membership of the working group, including representatives from the four investor-owned utilities, the two generation and transmission cooperative utilities and one from the Nuclear Energy Institute; designates the executive director for the Office of Energy Policy as the chair; requires the working group to hold its first meeting no later than September 1, 2023; requires the working group to meet at least 3 times before submitting its required report; requires the working group to identify the barriers to the deployment of nuclear power generation and related technologies and to consult with stakeholders to develop recommendations for the role of a permanent nuclear energy commission to be established in state government; requires the working group to submit a report to the Governor and to the Legislative Research Commission on or before December 1, 2023, detailing all work group activity since its establishment and providing recommendations for the creation of a permanent nuclear energy commission in state government; REPORT MANDATED. (Signed by Governor) Committees – Senate Natural Resources & Energy, House Natural Resources & Energy

SR 46 (Mary Pat Regan Confirmation) (Wheeler, P) A resolution confirming the appointment of Mary Pat Regan to the Public Service Commission for a term expiring July 1, 2023. Committees – Senate Natural Resources & Energy

SR 196 (Angela C. Hatton Confirmation) (Wheeler, P) A resolution confirming the appointment of Angela C. Hatton to the Public Service Commission for a term expiring July 1, 2025. Committees – Not taken up in Senate Committee, Straight to Senate Floor

KY Continued

HB 2 (Bowling Green Veterans Center) (Meredith, M) Provides General Fund moneys in the amount of \$16,630,000 in fiscal year 2022-2023 from the Budget Reserve Trust Fund Account to the Department of Veterans' Affairs for construction of the Bowling Green Veterans Center; *** I believe they removed \$17,364,000 General Fund appropriation for the Electric Vehicle Charging Program in fiscal year 2022-2023 to create this funding. (Signed by Governor) (Emergency clause) Committees – House A & R, Senate A & R

HB 4 (Merchant Electric Generating Facilities) (Branscum, J) A siting bill that establishes setback and decommissioning requirements for solar installations. Contains both a legal framework and financial component. Applies only to merchant generation. (Vetoed, Veto overridden) Committees – House A & R, Senate Agriculture

HB 160 (Water Pollution Control) (Freeland, C) Creates a collaborative agreement between industry stakeholders and the Kentucky Energy Cabinet to modernize water waste disposal protocols. HB 160 also addresses the planning process for building the water waste disposal system used waste water treatment facilities. (Signed by Governor) Committees – House Natural Resources & Energy, Senate Natural Resources & Energy

HB 222 (Hazardous Waste Mgmt Fund) (Gooch, J) Amended KRS 224.46-580 to extend the levy of the hazardous waste management assessment until June 30, 2032. This fund is vital in waste disposal mitigation. (Signed by Governor) Committees – House Natural Resources & Energy, Senate Natural Resources & Energy

HB 236 (State Administered Retirement Systems) (Sharp, S) Mandates that state retirement systems move away from environmental, social and governance (ESG) driven investing to restore the emphasis on financial returns. (Signed by Governor) Committees – House Natural Resources & Energy, Senate Natural Resources & Energy

HB 303 (Economic Development) (Branscum, J) Reorganizes the Kentucky Department of Economic Development to better align with current operations. Provides that companies engaged in hydrogen transmission eligible for economic development programs and addresses grants, aid, and programs related to skills and trade, rural hospitals, and disaster relief. (Signed by Governor) Committees – House Economic Development & Workforce Investment, Senate Economic Development, Tourism, & Labor

HB 313 (Economic Development) (Bowling, A) Expands eligibility for Kentucky Product Development Initiative funding. Redefines eligible projects to include matching funds and redefines eligible use to include building construction or renovation. The measure aligns with HB 745 from the 2022 legislative session and codifies the current program. (Signed by Governor) Committees – Appropriations and Revenue, Senate Economic Development, Tourism and Labor

HB 360 (Fiscal/Tax Cleanup Bill) (Petrie, J) Clarifies tax increment financing language in HB1 and HB8 from the 2022 legislative session for the Department of Revenue and that 100% of revenue from the electric vehicle fee shall go to the road fund rather than a 50/50 split to the state road and general fund. Notably, the tax cleanup bill excludes from sales tax “laboratory testing required by a federal, state, or local statute, regulation, court order, or other government-related requirement.” (Signed by Governor) Committees – House A & R, Senate A & R

KY Continued

HB 534 (Required Publications) (Dietz, S) Allows legally required notices by local governments to be published on an eligible digital newspaper's website if no qualifying print publication exists and allows a local government to publish an advertisement directing the public to its notice website on a digital newspaper website. ***The majority of this statute/bill applies to local governments, but the last section isn't specific and may apply to everyone – worth looking at closely for our notice requirements (Signed by Governor)
Committees – House Local Government, Senate State & Local Government

HJR 37 (Urging Revision to the State Air Quality Implementation Plan and Reformulated Gas Requirements) (Bauman, J) Directs the Energy and Environment Cabinet to adopt revisions to the state air quality implementation plan to remove the reformulated gas requirement for Jefferson County and applicable parts of Oldham and Bullitt counties. (Signed by Governor)
Committees – House Natural Resources & Energy, Senate Natural Resources & Energy

Energy/Company-related Legislation that Failed to Pass:

SB 15 (Consumer Data Privacy) (Westerfield, W)

SB 33 (KentuckyCYBER) Creation of KY Cybersecurity Center at U of L (Nemes, M)

SB 245 (Affordable and Reliable Energy) (Funke Frommeyer, S) Allows an electric investor-owned utility to apply for a financing order to securitize deferred costs associated with retired or abandoned electric generating facilities and extraordinary storm costs; clarify that the electric utility may retire and replace the electric generation facility without matching the capacity or the technology of the retired or abandoned unit; create definitions for biogas and syngas affecting natural gas utilities regulated by the Public Service Commission; authorize the natural gas utility to file an application for a recovery mechanism for using innovative natural gas resources to establish needed infrastructure; require the Public Service Commission to allow recovery for an electric utility to recover reasonable expenses associated with obtaining an early site permit from the United States Nuclear Regulatory Commission; amend KRS 65A.050, 278.021, and 278.516 to conform; amend KRS 278.020 to require the Public Service Commission to consider the policy of the Commonwealth for electric utilities to own their own renewable electric generation when granting a certificate of convenience and necessity for the utility to construct renewable facilities; establish a rebuttable presumption that constructing a plant or facility with a projected cost of less than 3 percent of the utility's total net plant to be an ordinary extension of the system; require the final decision to be made in 120 days and if no action is taken the application is deemed approved; and amend KRS 355.9-109 to exempt securitized interests in securitized property from the Uniform Commercial Code dealing with secured transactions. Committees – Senate Natural Resources & Energy

HB 66 (Creation of standard disconnection rules/standards) (Wilner, L) *Jason Nemes co-sponsor

HB 94 (Creation of Healthy Soils Program) (Kulkarni, N)

HB 116 (Change appointment criteria to the Kentucky Soil and Water Conservation Commission) (Rabourn, F)

HB 135 (Autonomous Vehicles) (Bray, J) (Vetoed by Governor, No time for override)

HB 140 (Amend KY Constitution to establish a Right to a healthy environment) (Raymond, J)

HB 187 (Recording of Greenhouse Gas Emission Reduction Agreements) (King, K)

HB 197 (PFAS Chemicals) (Kulkarni, N) Proposed creation of a new section of ...

HB 301 (Consumer Data Privacy) (Decker, J)

HB 422 (Vegetation Maintenance) (Timoney, K)

KY Continued

HB 552 (Geoengineering) (Gooch, J) Proposed creation of a new section of Subchapter 1 of KRS Chapter 224 to define “solar geoengineering” and “weather modification;” prohibit any agency or instrumentality of state or local government from engaging in solar geoengineering or weather modification.

General Interest Bills that Passed:

SB 47 (Medicinal Cannabis) (West, S) Establishes a medicinal cannabis program and defines six different medical conditions that qualify for medicinal cannabis use. The legislation also grants the Cabinet for Health and Family Services with the authority to implement and administer the program. (Signed by Governor)

HB 1 (Income Taxation) (Reed, B) Lowers the state’s individual income tax to 4% as of January 2024 and codified the January 1, 2023 decrease from 5% to 4.5%, saving Kentuckians approximately \$625 million in personal income.

HB 5 (Bourbon Barrel Tax) (Petrie, J) Incrementally decreases the distilled spirits barrel tax, the only one of its kind in the nation, until it is eliminated. (Signed by Governor)

HB 191 (Vacancies in Office) (Bauman, J) Allows Louisville Metro residents to vote to fill vacancies. HB 191 requires a special election to fill an open seat on Louisville Metro Council if the vacancy occurs more than three months before a regular election. (Signed by Governor)

HB 551 (Wagering) (Meredith, M) Allows Kentuckians 18 and older to wager on live sporting events. The measure requires online gaming providers associate with a Kentucky horseracing track and provides the Kentucky Horse Racing Commission (KHRC) with regulatory responsibility over gaming companies. Sports wagering could be provided through a licensed facility for sports wagering or online through a website or mobile App. HB 551 provides a fee framework that includes a 9.75% tax on the adjusted gross revenue of sports wagering at racetracks and 14.25% levied on online wagering. Monies received are designated to provide for regulatory administration; a 2.5% set aside to address problem gaming; and any remaining revenue towards the state’s public pension liabilities. (Signed by the Governor)

Louisiana

Capitol: Baton Rouge

Governor: John Bel Edwards (D)

General Elections: 4 Years

Legislature Convened: Annually

Even Years: General Sessions (85 Days)

Odd Year: Fiscal Sessions (60 Days)

Utility Regulation

Louisiana Public Service Commission

Members: 5 Elected Commissioners

Election Cycle: 6 Year Alternating Terms

City Council of New Orleans

Members: 7 Elected Councilmembers

Election Cycle: 4 year

State Senate: 39 members

Republicans: 27 (69%)

Democrats: 12 (31%)

Independents: 0

Senate President: Page Cortez (R)

Major Utility Committee: Commerce

House of Representatives: 105 members

Republicans: 71 (67%)

Democrats: 33 (31%)

Independents: 2 (2%)

House Speaker: Clay Schexnayder (R)

The Louisiana Constitution provides that the Legislature is a continuous body during the term for which its members are elected; however, a bill or resolution not passed during a session in which it is introduced cannot carry over to a subsequent session.

During odd numbered years, the sessions are considered "fiscal in nature." Fiscal sessions may not run longer than 45 legislative days during a continuous 60-day period. Fiscal sessions include matters pertaining to the enactment of a general appropriations bill; implementation of a capital budget; making an appropriation; levying or authorizing a new tax; increasing an existing tax; legislating with regard to tax exemptions, exclusions, deductions, reductions, repeals or credits. In addition, during a fiscal session, each legislator may file five (5) bills which are not fiscal in nature.

LA Continued

The 2023 Louisiana Legislative Session convened April 10, 2023, and adjourned sine die June 8, 2028. The House of Representatives filed 661 bills and 449 resolutions. The Senate filed 233 bills and 274 resolutions. Of the 1617 instruments filed, 200 became law as of June 12.

The 2023 legislative session was a 60-day fiscal session. During which, legislators can file unlimited fiscal instruments by the filing deadline but only five non-fiscal bills. The session, even under these constraints, was filled with controversial non-fiscal bills ranging from transgender restrictions in schools to legal hemp-derived THC products.

Of note fiscally, the Senate President passed a resolution allowing the legislature to spend about a billion more of the state's surplus than allowed by the Louisiana Constitution and the Senate Revenue Chair passed a bill repealing corporate franchise taxes for a net savings of near \$160,000,000. Business is booming!

However, a summer special session is anticipated to address budget cuts, congressional redistricting and the governor's expected veto of transgender restrictions.

In other news for utilities in Louisiana:

Broadband expansion quick-take provision dies.

HB 602 (Deshotel) allowed broadband service providers to take private property in the name of broadband expansion. The bill was deferred after heavy lobby from utilities, railroads, and private landowner groups. The expansion of broadband to under- and un-served residents is a priority for many rural legislators in Louisiana. Federal Capital Projects Fund grants spurred the creation of the Office of Broadband Development and Connectivity and a push to grab as much dollars as possible, as fast as possible. Local and regional broadband providers are required to bid on these funds. Some have under bid, to capture the grants, and haven't left enough money to acquire ROW and servitudes. Therefore, the proponents tried to circumvent their financial shortcomings by allowing providers to quick-take land in the name of public need.

CLECO can securitize coal mine decommissioning.

SB 51 (Milligan) provides that a utility may finance energy transition costs that were previously collected from the utility's customers but were subsequently ordered by the commission to be refunded to customers regardless of the date the costs were collected or the date the commission issued the refund order. This bill was filed by CLECO, a private Louisiana utility, to allow for securitization of its mining facility decommissioning costs.

IT'S AN ELECTION YEAR!

All state-wide offices and all legislative seats are up for grabs this fall.

The governor's race should be interesting, with a half-dozen republicans and one democrat announced. Leading the pack are Trump republican Attorney General Jeff Landry, democrat former DOTD Secretary Shawn Wilson and republican Stephen Waguespack, former head of the Louisiana Association of Business and Industry, the state's powerful business chamber. The tea leaves read a republican will win this year, but crazier things have happened.

Maryland

Introduction & Executive Summary

The Maryland General Assembly convened its 445th Legislative Session on Wednesday, January 11, 2023, and adjourned Sine Die Monday, April 10, 2023.

This is the first session in the new four-year term for every member of the General Assembly and the first session under a new democratic administration after eight years. Governor Wes Moore was elected the 63rd Governor of the state of Maryland. Moore is the first Black Governor in the state's 246-year history and is the third African American elected Governor in the history of the United States. As a gubernatorial candidate, Moore pledged to make Maryland a national leader on climate change by setting aggressive clean energy and emissions reduction standards.

House Bill 1035 (Senate Bill 905)- Electric Companies, Gas Companies, and the Department of Housing and Community Development – Energy Efficiency and Conservation Plans

This bill required each electric and gas company, as well as the Department of Housing and Community Development (DHCD) to provide for its customers energy efficiency, conservation, and greenhouse gas reduction programs and services to encourage and promote the efficient use and conservation of energy in support of greenhouse gas emissions reduction goals and targets. Beginning September 1, 2023, and every three years thereafter, Electric and Gas companies and DHCD are required to submit programs to the Commission for consideration. As amended in the House, the legislation amendment would limit a utility's rate of return to capital expenses only for the existing EmPOWER program debt.

The bill was amended on the floor to limit the utility's rate of return to capital expenses only for the existing EmPOWER debt. The bill, as amended, passed in the House by 100-37.

In the Senate, the bill came out of Rules on the Friday evening before Sine Die and the Committee agreed not to take a vote on House Bill 1035.

Outcome: Failed

Senate Bill 781 - Offshore Wind Energy – State Goals and Procurement (Promoting Offshore Wind Energy Resources Act)

This legislation requires the PSC to direct PJM to complete an analysis of transmission system expansion options. The PSC must submit a status update to the General Assembly on or before July 1, 2024. On or before July 1, 2025, the PSC or PJM at the PSC's request, shall issue one or more competitive solicitations for proposals for offshore wind transmission facilities and complementary onshore transmission upgrade and expansions. The PSC must also work with PJM to recommend transmission solutions, including potential interconnection points and cable routes. Additionally, the Department of General Services, in consultation with PSC, must issue a competitive sealed procurement solicitation and may enter at least one contract for a PPA to procure up to 5 million megawatt-hours annually of offshore wind energy and associated RECs from one or more qualified offshore wind projects, as those terms are defined. Each PPA must have a minimum term of 20 years. Specifically, the State must: issue a procurement for offshore wind energy by July 31, 2024; provide a minimum procurement submission process window of 180 days; and award contracts in a timely manner. The State may enter into a contract or contracts for the procurement by September 1, 2025, although the State may modify that date if an unforeseen circumstance adversely affects the procurement

MD Continued

process. The State has a goal of reaching 8,500 megawatts of offshore wind energy capacity by 2031 and anticipates the issuance of sufficient wind energy leases in the central Atlantic region to satisfy that goal. (The cross-file, House Bill 798, failed.)

Outcome: Passed

House Bill 834 (no cross-file) - Electric Vehicle Charging Infrastructure - Requirements (Electric Vehicle Charging Reliability Act)

This legislation expands the EV Pilot Program to allow participating electric companies to install EV charging stations in multifamily dwellings in underserved communities. It also requires an electric company operating an EV charging network to ensure the EV charging stations in the EV charging network have substantial average annual uptime that is consistent with NEVI standards and requirements or approved by the PSC.

Outcome: Passed

House Bill 513 (no cross file) Investor-Owned Utilities - Prevailing Wage – Enforcement

This legislation requires the Maryland Department of Labor (MDL) to enforce an existing requirement that specified investor-owned utilities require contractors and subcontractors to pay their employees at least the applicable prevailing wage on certain underground projects. The bill also specifies that the prevailing wage rate for purposes of this requirement is the one determined solely by the Commissioner of Labor and Industry, in a process substantially like the process for determining prevailing wage rates on public works contracts. The bill establishes related administrative processes during the initial period of enforcement and allows for a safe harbor for contractors to become compliant.

Outcome: Passed

House Bill 908- Electricity – Community Solar Energy Generating Systems Program

This legislation makes the Community Solar pilot program permanent and requires that the program serve at least 40% of its kilowatt-hour output to low-to-moderate income subscribers. Additionally, the bill adds the definition for a “Subscription Coordinator,” which is a person that markets a community solar generating system, performs administrative actions to allocate subscriptions, or manages interactions between the subscriber organization and electric company. The bill makes clear that Subscription Coordinator is not an electric supplier, company or generating station. An electric company can assess subscribers using consolidating billing or another that cannot exceed 1% of the credit value to the subscriber unless the PSC determines a higher fee is just and reasonable based on substantial evidence presented by the electric company. On or before July 1, 2025, the PSC shall adopt regulations that implement consolidated billing by electric companies that must be in effect by January 1, 2026, including protocols for purchase of receivables or net crediting. (The cross-file, Senate Bill 613, failed.)

Outcome: Passed

House Bill 459 (no cross file) County and Municipal Street Lighting Investment Act

This legislation would have authorized counties or municipalities to acquire street lighting equipment by purchase or condemnation, convert its street lighting service to a customer-owned street lighting tariff, enter into an agreement to purchase electricity, and contract with an electric company for the maintenance of the street lighting equipment. The legislation was amended to include a definition of fair market value to replace the definition of netbook value and a requirement that investor-owned electric company must

MD Continued

assess the total number of streetlights owned or maintained by an investor-owned electric company and the total number of streetlights owned or maintained by the investor-owned electric company that use light-emitting diode technology.

Outcome: Failed

House Bill 830 - Residential Construction or Significant Renovation - Electric Vehicle (EV) Charging

This legislation requires new home construction or existing homes with a garage, carport, or driveway undergoing significant renovations to upgrade electric panel to increase the capacity of the panel or parking upgrades involving trenches, must include one EV parking space (capable of a L2 charge), or EV ready parking space. For multifamily buildings, must install at one community EV parking space for every twenty-five residential units. (The cross-file, Senate Bill 477, failed.)

Outcome: Passed

Senate Bill 663 (House Bill 839) - Investor-Owned Electric Companies - Clean Energy Homes Pilot Programs - Establishment (Maryland Resilient and Clean Energy Homes Act)

This legislation requires investor-owned electric utilities to file a 3-year "Make-Ready" pilot program with the Commission that is available on or before August 1, 2024.

Outcome: Failed. Pilot program details were improved as the legislation was debated, especially provisions pertaining to electric meter collars. While the Senate Bill was passed out of the Senate Chamber (46-0), neither bill moved out of the House.

House Bill 904 (Senate Bill 689)– Public Utilities – Energy Efficiency and Greenhouse Gas Emissions Reductions – Alterations and Requirements

This legislation was another bill that would have altered the EmPOWER Program by requiring electric and gas companies to encourage the reduction of greenhouse gas emissions rather than reducing electricity consumption. SB 689/HB 904 was competing with HB1035 which was the EmPOWER legislation supported by the PSC. The legislation set the annual incremental gross energy saving target to at least 2% per year through 2023. Additionally, the Commission, beginning January 1, 2024, by regulation would have required the utilities to reduce GHG from each ratepayer class by at least 2% below the 2016 level each year (and 14% by 2031). By January 1, 2024, the EmPOWER program would have to provide consumer rebates and federal rebates to promote the use of replacing fossil-fuel powered equipment and electric resistance heat for high efficiency heating (electric heating, cooking appliance, dryers, hot water heating) and electrified cooking equipment. The bill called for the elimination of EmPOWER incentive program for gas, propane, oil, and other GHG emitting appliances by January 1, 2024; and by that same date the EmPOWER energy audits and check-up were to include evaluating readiness of homes for electrification. Lastly, the Department of Housing and Community Development was to contract with a navigator to begin facilitating whole-home retrofits including weatherization, electrification, lead removal, mold remediation.

Outcome: Failed. There were hearings on the bill in both the House and Senate Committees, but they did not advance out of the Committees.

House Bill 1103 (no cross-file) - Electric Companies - Reliability Standards

The legislation would have required an electric company to include in a certain annual report the location of feeders in the service territory of the electric company that have experienced frequent service interruptions and to develop a plan to reduce frequent service interruptions; and requiring the Public Service Commission

MD Continued

to establish, in consultation with the Office of People's Counsel and other entities, electric service quality and reliability standards in a certain manner on or before October 1, 2024.

Outcome: Failed

House Bill 988 (Senate Bill 828)- Family and Medical Leave Insurance Program - Modifications

This legislation modifies the Family and Medical Leave Insurance Program, which in 2022, established a program to provide temporary benefits to covered individuals taking leave from employment for specified events. This legislation expands the triggering events to include time off to bond or care for a child during the first year after birth, or having a child being placed in foster care, adoption, kinship with the covered person; or to attend to a serious health condition that prevents an employee from being able to perform one or more functions of their position. The bill also changes the date that an employee and employer (of fifteen or more employees) will begin contributing to the program fund from October 1, 2023, to January 1, 2024. Additionally, the bill requires that the total rate of contribution shall be set on or before September 2023 and will be in effect for a 12-month period (a change from 24-month period). The legislation requires an employer to contribute 25% of the total rate of contribution for each covered employee while an employee contributes 75% of the total rate of contribution—with an employer having the option to pay all or part of the total rate. The State will pay the contribution for certain employers, and employees making \$15 per hour (unless the employer chooses to pay their contribution). The bill considers the intersection of the federal Family and Medical Leave Act (FMLA) and will count that leave against the individual if their employer designates that the requested leave is covered by the FMLA. An employer cannot require individuals to use their paid vacation, sick leave, or paid time off before receiving this benefit. The total paid leave cannot total more than 100% of the individual's average weekly wage.

Outcome: Passed

House Bill 1134 (no cross file)- Maryland Building Performance Standards – Fossil Fuel Use and Electric-Ready Standards

This legislation would have required the Maryland Department of Labor to adopt, on or before January 1, 2024, and as part of the Maryland Building Performance Standards, a requirement that new buildings meet all energy demands of the building without the use of fossil fuels and an electric-ready standard for certain buildings. The bill was premature and undermined the numerous studies related to Climate Solutions Now Act and the recommendations from those studies that had not been published.

Outcome: Failed

House Bill 1186 (no cross-file) Public Service Companies – Annual Report on Votes Cast at Meetings of Regional Transmission Organizations

This legislation would have required each utility that is a member of a regional transmission organization (RTO) to submit to the PSC annual reports detailing all votes cast by the utility at a meeting of the regional transmission organization, along with an explanation of how the company's vote is in the public interest.

Outcome: Failed

House Bill 969-Public Service Commission – Cybersecurity Staffing and Assessments (Critical Infrastructure Cybersecurity Act of 2023)

This legislation requires the PSC to include one or more employees that are experts in cybersecurity on its staff. Each public service company, except common carriers and telephone companies, must take specified

MD Continued

actions related to cybersecurity, including engaging a third party by July 1, 2024, and every two years thereafter, for a cybersecurity assessment. The public service companies must submit related certifications of compliance to PSC. By January 1, 2025, and every two years thereafter, the PSC must submit a report with related information and recommendations to the State Chief Information Security Officer (SCISO), or the SCISO's designee. The legislation also specifies authorized uses of Dedicated Purpose Account (DPA) funds by the Department of Information of Technology (DoIT) for fiscal 2024 for certain purposes.

Outcome: Passed

Senate Bill 555– Fair Wage of Act 2023

Sponsor: Senate President (at the request of the Moore Administration)

This legislation increases the state minimum wage to \$15.00 per hour beginning October 1, 2023, and as originally proposed, would index future minimum wages to inflation (up to 5.0%) each year beginning July 1, 2025. (The cross-file, House Bill 549, failed). The legislation accelerated, to January 1, 2024, when the minimum wage would increase but the increase is no longer adjusted with the consumer price index.

Outcome: Passed

Senate Bill 697 (House Bill 910) – Energy Storage – Targets and Maryland Energy Storage Program – Establishment

This legislation requires the PSC to establish the Maryland Energy Storage Program and set targets for the cost-effective deployment of new energy storage devices in the State with a goal of achieving at least a cumulative total of 750 megawatts (MW) by the end of the 2027 PJM Interconnection, LLC (PJM) delivery year, 1,500 MW by the end of the 2030 PJM delivery year, and 3,000 MW by the end of the 2033 PJM delivery year. If a target cannot be met cost effectively, the target must be reduced to the maximum cost-effective amount for the relevant delivery year. The program must be implemented by July 1, 2025. By December 31, 2023, PSC will report to the General Assembly on pending designs for the program and any additional statutory changes required to fully implement an effective program to meet the minimum energy storage targets established under the bill.

Outcome: Passed

House Bill 551- Broadband Expansion Incentive Act of 2023

Sponsor: The Administration

This legislation allows for a subtraction modification under Maryland income tax law for broadband grants awarded during a tax year for broadband deployment. The bill also provides an exemption from sales and use taxes related to equipment providing internet service and equipment deploying broadband. This legislation is meant to incentivize broadband deployment in Maryland. (The cross-file, Senate Bill 547, failed.)

Outcome: Passed

Other Legislation

Electrification & EVs

House Bill 123 (no cross-file)- Vehicle Laws – HOV Lanes – Plug-In Electric Drive Vehicles

This legislation extends the current program that allows certain plug-in electric vehicles for which a permit

MD Continued

has been issued by the Motor Vehicle Administration (MVA) to use high occupancy vehicle (HOV) lanes regardless of the number of passengers in the vehicles. The MVA would charge a fee, not to exceed \$20, for issuing the permit.

Outcome: Passed

House Bill 07 (no cross file)- Electric Vehicle Recharging Equipment Rebate Program – Renewal

This legislation would have extended the Electric Vehicle Recharging Equipment Rebate Program through fiscal year 2027 and increased the total amount of rebates issued annually under the Program to \$2,000,000, while repealing the rebates that may be issued to retail service station dealers, limiting the issuance of rebates to one recharging system per individual per address, and authorizing the MEA to offer additional benefits under certain circumstances.

Outcome: Failed

House Bill 889 (no cross-file) Retail Service Stations – Electric Vehicle Charging Stations and Property Tax Credit for Service Station Conversions

This legislation required a new retail service station on or after October 1, 2023, to install electric charging stations.

Outcome: Failed

House Bill 1008 (no cross-file) Maryland Energy Administration - Electric Bicycle Rebate Program - Establishment

This legislation would have established the Electric Bicycle Rebate Program to provide rebates for qualified individuals and certain entities that purchase electric bicycles; and required the Governor, for fiscal year 2025 and each year thereafter, to include in the annual budget bill an appropriation of \$500,000 for the program.

Outcome: Failed

Regulatory

Senate Bill 611 (House Bill 874) Office of the Attorney General - Environment and Natural Resources Monitoring Unit - Establishment

This legislation establishes the Environment and Natural Resources Monitoring Unit of the Office of the Attorney General to investigate and prosecute cases against persons that violate State criminal environmental and natural resources laws and to assist the Department of the Environment and the Department of Natural Resources in investigating or bringing a civil action regarding a violation of State civil environmental and natural resources laws.

Outcome: Passed

Senate Bill 636 (House Bill 1046)- Public Safety - Solar Battery Energy Storage Systems

This legislation would have required buildings where certain solar battery energy storage systems are installed to be equipped with a self-contained fire suppression system, an explosion prevention system, and an air quality monitoring system; and requiring the State Fire Marshal to administer and enforce the Act.

Outcome: Withdrawn

MD Continued

Senate Bill 469 (no cross-file) - Task Force to Study Solar Tax Incentives

The legislation establishes the Task Force to Study Solar Tax Incentives to study and make recommendations regarding a tax strategy that is more competitive than the State's current strategy to maximize the installation of rooftop solar panels, to facilitate and promote installation of grid-connected generation of renewable energy, and to meet the State's renewable energy goals; and requiring the Task Force to report its findings and recommendations to the General Assembly on or before December 15, 2023.

Outcome: Passed

Senate Bill 549 (House Bill 552) – Economic Development – Build Our Future Grant Pilot Program and Fund (Innovation Economy Infrastructure Act of 2023)

Sponsor: Senate President Ferguson and Speaker Jones

This legislation establishes a grant program to be administered by the Department of Commerce to award grants to private companies, college and universities, non-profits, and local government for infrastructure projects supporting technology innovation.

Outcome: Passed

Senate Bill 143 -Electricity – Net Energy Metering – Accrual of Net Excess Generation (Net Metering Flexibility Act)

This legislation authorizes an eligible customer-generator under the State's net metering law to accrue net excess generation for an indefinite period, instead of only for a 12-month period. An electric company must pay the customer-generator for any indefinitely accrued net excess generation within 15 days of the closing of a customer's account. The PSC will establish a method for determining the value of such generation. This legislation does not apply to a customer-generator served by a municipal electric utility or an electric cooperative. Subscribers under the Community Solar Energy Generating System Pilot Program are likewise authorized to accrue virtual net excess generation in the same manner as described above, and the credit limitation of 200% of baseline energy usage is removed. (The cross-file, House Bill 68, failed.)

Outcome: Passed. PHI and BGE will work with the PSC during the promulgation of regulations process.

House Bill 556 (Senate Bill 516)- Cannabis Reform

This legislation establishes a regulatory and licensing system, and sales and use tax for adult-use cannabis in Maryland. The bill also creates a Cannabis regulation and enforcement division within the Alcohol, Tobacco, and Cannabis Commission. There was language included in the bill that provided employers with the ability to maintain a zero-tolerance policy as it related to cannabis and employment status. That language was removed with the explanation that the consensus was that the employer provisions/protections were not necessary as they are already covered by section §17–214 of the Maryland Health Article. According to the Maryland Attorney General, employers in Maryland can still have zero-tolerance policies.

Outcome: Passed

House Bill 630 (no cross-file) - Public Utilities - Primary and Secondary Account Holders - Domestic Violence

This legislation requires a utility company to allow an account holder to remove their name from the account if the account holder is vacating their home because they are a victim of domestic abuse. As amended, the legislation permits a domestic violence victim to establish a new utility account notwithstanding previous outstanding debt provided the requisite documentation is submitted to substantiate the alleged abuse.

MD Continued

House Bill 692 - Public Service Commission - Certificates of Public Convenience and Necessity - Local Permits

This legislation applies to local or municipal government. It requires local and/or municipal government to issue any permit required to implement a project under a Public Service Commission issued certificate of Public Convenience and Necessity. (The cross-file, Senate Bill 489, failed)

Outcome: Passed

Senate Bill 542 (House Bill 775)- Public Safety - Emergency Management - Consumer Protections Against Price Gouging

Sponsor: The Senate President and House Speaker at the request of the Office of the Attorney General

The legislation prohibits a person from selling an essential good or service for more than a certain increase in price during and for a certain time after a certain state of emergency; and requiring the Secretary of State to establish an electronic notification system by which a person may register to receive certain information. Initial analysis is the price increase limit of 10% is too restrictive, particularly for natural gas commodity costs.

Outcome: Passed

House Bill 1188- Public Utilities - Certificate of Public Convenience and Necessity - Solar Photovoltaic Systems

This legislation defines “generating station” in the Public Utilities Article and in so doing establishes that generating units or facilities that meet specified requirements may be constructed without obtaining a Certificate of Public Convenience and Necessity (CPCN) from the Public Service Commission (PSC). The bill establishes a generating station that has the capacity to produce more than two megawatts but not more than 14 megawatts of alternating current. The bill also makes a conforming change to align the capacity limit for generating stations with a requirement for certain solar systems to file an application for approval to construct a generating station with PSC and provide a 1.0% deposit. The bill specifies the intent of the General Assembly is that the bill apply to solar energy generating facilities and eligible customer-generators under the State’s net metering law. (The cross-file, Senate Bill 931, failed.)

Outcome: Passed

House Bill 1214 - Residential Retail Electricity - Green Power - Renewable Energy Credits and Marketing Claims

The legislation would have required an electricity supplier that offers green power for sale to residential customers to purchase certain renewable energy credits; requiring certain electricity suppliers marketing and selling green power to residential customers to include a certain disclosure in certain marketing materials.

Outcome: Failed

House Bill 550- Maryland Energy Administration – Energy Programs – Modifications (Clean Transportation and Energy Act) Sponsor: An Administration bill

This legislation alters the Electric Vehicle Recharging Equipment Program by extending the duration of the Program through fiscal year 2026, repeals the rebates that may be issued to retail service station dealers and allows them to claim the same credit as a business entity (was \$5,000, takes them back to \$4,000), and repeals the limitation on the total amount of rebates that the Maryland Energy Administration may issue in each fiscal year and alters the definition of "grant" for purposes of the Medium-Duty and Heavy-Duty Zero-Emission Vehicle Grant Program which will allow for up to 100% of the incremental cost of a qualified

MD Continued

medium-duty or heavy-duty zero-emission vehicle, qualified medium-duty or heavy-duty zero-emission vehicle supply equipment, or zero-emission heavy equipment property. (The cross-file Senate Bill 548, failed.)

Outcome: Passed

House Bill 230 (Senate Bill 224)- Department of the Environment - Zero-Emission Medium- and Heavy-Duty Vehicles - Regulations (Clean Trucks Act of 2023)

This legislation requires the Maryland Department of the Environment (MDE) to adopt regulations that, among other things, (1) establishes requirements for the sale of new zero-emission medium- and heavy-duty vehicles in the State (2) update existing regulations and incorporate by reference the California Air Resources Board's (CARB) Advanced Clean Trucks (ACT) regulations, as revised and updated and (3) take effect starting with model year 2027 by December 1, 2023. MDE must also prepare a related needs assessment and deployment plan in consultation with specified State agencies and submit the plan to the General Assembly by December 1, 2024. Finally, the bill increases funding for the Medium-Duty and Heavy-Duty (MHD) Zero-Emission Vehicle (ZEV) Grant Program and makes other changes to the program.

Outcome: Passed

House Bill 347 (no cross-file)- Attorney General – Climate Change Actions – Authorization

The legislation authorized the Attorney General to investigate, commence, and prosecute or defend any suit or action that holds accountable a publicly traded entity with market capitalization greater than \$1,000,000,000 or its subsidiaries for any tortious or otherwise unlawful conduct that has contributed to climate change. The legislation also authorized the Attorney General to hire outside counsel on a contingency fee basis to assist with an action under the Act if the Attorney General makes a certain determination.

Outcome: Failed

Energy Efficiency Programs

House Bill 169 (Senate Bill 144)- Public Utilities - Energy Efficiency and Conservation Programs - Energy Performance Targets and Low-Income Housing

This legislation directs the Department of Housing and Community Development (HCD), for the program cycle 2024-2026 to procure and provide electricity customers with energy efficiency and conservation programs and services. These programs and services need to be designed to achieve a target annual incremental gross energy savings of .53% in 2024, .72% in 2025 and 1% in 2026. The gross energy savings will be calculated as a portion of the 2019 weather-normalized gross low-income residential retail sales for all electric companies. This calculation will be determined by multiplying the average 2019 residential household electricity usage by the number of households with income below 125% of the federal poverty limit and meet eligibility criteria approved by the PSC for low-income programs.

Outcome: Passed

MD Continued

Energy Assistance Programs

House Bill 323 (no cross file)- Social Services Programs - Eligibility and Enrollment

As amended, this legislation requires the Department of Human Services to enroll individuals, who meet certain financial eligibility requirements in the Supplemental Nutrition Assistance Program, Home Energy Assistance Programs and alter the eligibility requirements for the electric universal service program to provide assistance to customers with annual incomes at or below 200% of the federal poverty level. The bill was amended to remove the Department of Human Services as the responsible party for enrolling individuals in energy assistance programs and instead clarifies that OHEP is responsible for enrolling households in any fuel and utility assistance programs that already qualify under other federally recognized assistance programs.

Outcome: Passed

House Bill 111 (Senate Bill 26)- Maryland Medical Assistance Program, Maryland Children's Health Program, and Social Services Programs - Eligibility and Enrollment

This legislation alters the EUSP program eligibility to 200% across the board for all applicants to OHEP programs.

Outcome: Passed

Mississippi

2023 State Legislative/Regulatory Profile

STATE: Mississippi
CAPITOL CITY: Jackson
GOVERNOR: Tate Reeves (R)
GENERAL ELECTIONS: 1st Tuesday after 1st Monday in November 2023
LEGISLATURE CONVENES: 1st Tuesday after 1st Monday in January
FLOOR PERIODS: 125 days with new administration; 90 days for next 3 years

SENATE: 52 Members 41 Standing Committees
REPUBLICANS: 36
DEMOCRATS: 16
TERM: 4 years

PRESIDING OFFICER(S): Delbert Hosemann (R) (Lt. Governor);
Dean Kirby (R) (President Pro-Tem)
MAJOR UTILITY COMMITTEE: Senate Energy Committee (15 members)
Chairman: Joel Carter (R)
Vice-Chairman: Rita Parks (R)

HOUSE: 122 Members 45 Standing Committees
REPUBLICANS: 79
DEMOCRATS: 40
INDEPENDENTS: 2
VACANCIES: 1 (D)
TERM: 4 years

PRESIDING OFFICER(S): Phillip Gunn (R) (Speaker)
Jason White (R) (Speaker Pro Tem)
MAJOR UTILITY COMMITTEES: House Public Utilities Committee (23 members)
Chairman: Scott Bounds (R)
Vice-Chairman: Brent Anderson (R)
House Energy Committee (27 members)
Chairman: Brent Powell (R)
Vice-Chairman: Jeff Hale (R)

REGULATORY BODY: Public Service Commission
MEMBERS: Brandon Presley (D); Commissioner, Northern District
Brent Bailey (R); Commissioner, Central District
Dane Maxwell (R); Commissioner, Southern District
APPOINTMENT/ELECTION: Election - 4-year term

MS Continued

Key Utility-Related Legislative Items of the 2023 Legislative Session

The 2023 Regular Session of the Mississippi Legislature was a 90-day, election-year session.

Transmission Jurisdiction (SB 2341)

Requires anyone who builds transmission lines in the certificated area of an electric utility that is in a Regional Transmission Organization (RTO) to be subject to state regulatory oversight instead of the Federal Energy Regulatory Commission (FERC). This bill will ensure the MPSC maintains regulatory authority over transmission infrastructure in Mississippi and retains state control over transmission rates for utility customers.

Effective Date: July 1, 2023

EV Sale for Resale (HB 1060)

Allows non-utilities in MS to sell electricity on a metered basis for the purpose of charging electric vehicles. It also requires that the electricity to be re-sold can only be provided by the incumbent utility. This change in state law will help expand EV charging infrastructure in the state by eliminating one of the largest deterrents to private investment by EV charger providers.

Effective Date: July 1, 2023

MDOT EV Public-Private Partnership (SB 2562)

Allows MDOT to enter into public-private partnerships with EV charger providers. The bill will assist MDOT in disbursing federal NEVI funds for the build out of the federal EV charging corridor and will allow MDOT to retain some regulatory jurisdiction over those chargers built within the partnership. Language was added at the request of electric utilities to ensure that nothing in the new law would interfere with the MPSC's sole jurisdiction over utility companies and their rates.

Effective Date: March 3, 2023

Solar Fee-in-Lieu (SB 2698)

This bill extends the repeal date on an ad valorem fee-in-lieu of 1/10 the assessed value on renewable energy projects of at least \$100M to 2026. Language was added to allow electric utilities to qualify and apply for this tax reduction. The fee-in-lieu application is subject to approval by the local government entity.

Effective Date: July 1, 2023

Software Sales Tax (SB 2449)

This bill codifies what constitutes computer software and computer services and what portion of that is taxable. The MS Dept of Revenue (MDOR) was attempting to rewrite a regulation that would have taxed software that is not physically located in the state but is accessed from within the state. This could have negatively affected Mississippi utilities with facilities housed outside of the state. The final bill was the result of 18 months of negotiations between MDOR and business groups and as a result, software not physically in the state is not taxable. The exemption also applies to other computer software services provided over the internet.

Effective Date: July 1, 2023

MS Continued

Accelerated Depreciation of Assets (HB 1733)

The Mississippi Full Expensing Tax Reform Act of 2023 allows fully expensing longer-term assets in the year they were put into service, rather than doing so over time. This will encourage companies to make significant investments that will increase research & development, productivity, and efficiency. In 2017, the federal Tax Cuts and Jobs Act temporarily made this possible at the federal level, but that is set to phase out over the next five years.

Effective Date: January 1, 2023

Energy Academy (SB 3046 – MDA Approp)

Appropriates \$156, 000 in state funds to the Claiborne County/Vicksburg-Warren County Energy High School Academy. The funds are matched by Entergy Mississippi and local entities. The program is designed to introduce utility-sector curriculum into the local school system and promote the development of a potential pipeline of qualified workers.

Effective Date: July 1, 2023

Energy Efficiency Standards (SB 2339)

This bill extended the repeal date for energy efficiency standards for public buildings to 2026. It also made exceptions for certain types of refrigerants used in air conditioners.

Effective Date: July 1, 2023

811 "Impending Emergency" (SB 2102)

Defines "Impending Emergency" and creates procedures and timelines for responding to an "Impending Emergency".

Effective Date: July 1, 2023

MPUS Executive Director Appointment (HB 809)

Eliminates the requirement that the MPSC Commissioners submit 3 names to the Governor for consideration as MPUS Executive Director and instead makes it a straight Gubernatorial appointment.

Effective Date: July 1, 2023

MPUS contractors (HB 288)

Allows the MPUS to fill statutorily required positions such as an in-house accountant, engineer, or lawyer as a contract employee.

Effective Date: July 1, 2023

MPSC "No Call" Responsibilities (HB 1225)

Moves the responsibilities to maintain, monitor & enforce the "No Call" program related to spam and spoof phone calls away from the MPSC & into the office of the MS Attorney General.

Effective Date: July 1, 2023

Confirmation of MPUS Executive Director (SN 48)

Senate Confirmation of the Governor's appointment of Charles Jim Beckett, Bruce, Mississippi, as Executive Director of the Mississippi Public Utilities Staff for the remainder of the six-year term beginning September 23, 2022 and ending June 30, 2026.

MS Continued

EV Taxes

Bills designed to raise taxes on EV usage and registration all died in committee.

Crypto Currency Mining

Several bills related to the cryptocurrency industry. The most egregious bills (HB 1198 & SB 2436) would have allowed crypto miners to build micro grids to sell electricity to industrial and residential utility customers. Other bills would have addressed how crypto is classified (as a commodity, security or legal tender) or how it is taxed. All crypto-related bills died.

EV Manufacturers (HB 401)

This bill requires all automobile manufacturers to sell their vehicles through an independent franchisee (aka car dealership). This law was aimed at auto manufacturers such as Tesla and Rivian whose business model is to sell EVs directly to consumers. The law grandfathered in the only Tesla dealership in the state in Brandon. Effective Date: July 1, 2023

Missouri

Capitol City: Jefferson City

Primary Election: August 6, 2024 (Statewide, House and half Senate, from odd-numbered districts)

General Election: November 5, 2024

Legislature convenes annually the first Wednesday after the first Monday of January. It adjourns with no consideration of bills after 6:00 p.m. on the first Friday following the second Monday in May. Legislators can serve up to eight years in each chamber before term-limits are reached.

Governor: Gov. Mike Parsons (R)
Four-year term, two-term limit, next election in 2024.

Senate: 24 R + 10 D = 34 total
Four-year terms, half elected every two years, next election 2024.
Senate President – Caleb Rowden (R-Columbia)
Minority Leader – John Rizzo (D-Independence)
Major Utility Committee – Senate Commerce Committee (11 members)
Chair – Mike Cierpiot (R- Lee’s Summit)

House: 114 R + 48 D + 1 vacant = 163 total
Two-year terms, next election 2024.
Speaker – Dean Plocher (R-St. Louis)
Minority Leader – Crystal Quade (D- Springfield)
Major Utility Committee – House Utilities (10 members)
Chair – Bob Bromley (R-Joplin)

Regulatory Body:

Missouri Public Service Commission (PSC)

- Five-person commission appointed by the Governor. Confirmed by the Senate.
- Chairman is Scott Rupp.

Congressional Delegation

Senator Josh Hawley (R) – next election 2024

Senator Eric Schmitt (R)

1st Cori Bush (D) – since 2021

2nd Ann Wagner (R) – since 2013

3rd Blaine Luetkemeyer (R) – since 2013

4th Mark Alford (R) – since 2022

5th Emanuel Cleaver (D) – since 2005

6th Sam Graves (R) – since 2001

7th Eric Burlison (R) – since 2022

8th Jason Smith (R) – since 2013

MO Continued

LEGISLATION - 2023 SESSION

The 2023 Missouri legislative session wrapped up May 12th. It was a session that saw historic budget priorities get passed, but few other legislative priorities crossed the finish line. There were only 41 bills plus 19 appropriations bills that were truly agreed and finally passed. This is the second lowest in at least 30 years (with the exception of 2020). In contrast, there were over 2,300 pieces of legislation filed this year.

The final week was filled with gridlocks and filibusters while little legislating was completed. The senate floor was controlled by a few senators (formerly known as the conservative caucus) who were willing to hold all work and progress until their own legislative demands were met. Some of the high priority issues that failed to cross the finish line included: legalizing sports betting, initiative petition reform, various tax cuts (including property tax cuts), education reform, regulating what land can be controlled by foreign entities and various provisions related to addressing crime in St. Louis.

Specific to energy policy, in the last 48 hours of session, SB 275 (which contained the sales tax exemption on products used for transmission and distribution work) died, not due to the substance of the bill, but because of senate personalities and conflicts. Other issues that were filed and that we worked on this session but did not pass include: a PSC assessment increase, an increase to the amount of PSC commissioners, right of first refusal, wind and solar eminent domain prohibition, various net metering changes, electric deregulation, solar taxation changes, crypto mining rate requirements and prevention of local governments to require electric vehicle infrastructure. One thing is clear, there will be a backlog of utility debates in the 2024 session.

Oklahoma

OKLAHOMA REGULAR LEGISLATIVE SESSION OVERVIEW

Oklahoma's 59th Legislature (year one of two)

Bills

Filed	3,376
Signed	344
Vetoed	50

Members

Senate Republican	40
Senate Democratic	8
House Republican	81
House Democratic	20

Restructuring of the Electric Utility Industry:

- Oklahoma currently has both regulated and unregulated (co-op & municipal) markets.
- No state has pursued a deregulated model in more than 20 years. Seven states under this model reversed and returned to a traditionally regulated model after it failed to deliver benefits and resulted in higher prices and lower grid reliability.
- Oklahomans are already provided high-quality services at prices that have been at or below regional and well below national averages for years.
- Allows third-party marketers to profit from infrastructure built and paid for by electric companies and their customers with no oversight on service quality or price.
- “Texas-style” restructuring is risky, serves customers poorly and eliminates transparency, accountability and oversight on prices and services.
- **HB1602** – Creates the Oklahoma Electric Choice and Competition Law. Status: Dormant pursuant to the rules.

Competition:

- Increasing the “1 MW” threshold for competitive customers
- **HB2845** – Clarifies the process for electric providers when offering or extending service outside certain certified service areas. Status: Signed by the Governor

Electric Vehicles:

- Restrictions on EV Charging Infrastructure:
- **SB502** - Creates the Electric Vehicle Charging Act which provides for various provisions regulating electric motor vehicle charging stations. Status: Signed by the governor, effective 11/1/2023

Performance Based Rates for Regulated Electric Utilities:

- Performance Based Rates stabilize customer bills by providing gradual changes to rates.
- Performance Based Rates require Oklahoma Corporation Commission (OCC) oversight on price and service quality.

OK Continued

- Adopting Performance Based Rates is consistent with how natural gas utilities in Oklahoma have been regulated for nearly 20 years.
- **SB1103** - Creates the Ratepayer Protection Act, directing regulated electric utilities seeking increases in provider rates to submit certain information to the Corporation Commission and directs utilities to offer rate plans. Status: Dormant pursuant to the rules
- **SB694** - Allows for Performance Base Rates (PBRs) for electric utilities along with additional fuel storage requirements and added consumer protections. The bill requires the OCC to review the PBR process after five years to determine if the rate-setting procedure is best for Oklahoma electric consumers. Status: Dormant pursuant to the rules

Taxes/Fees:

- **HB1039x** (Filed in Special Session) – Sunsets the franchise tax in the state after 2023 and removes certain related reporting requirements. (Note: This is unrelated to the Franchise Fees collected from customers and remitted to municipalities.) Status: Enacted
- **SB606** - Removes authorization of the Tax Commission to grant an extension for the filing of certain Ad Valorem taxes upon request. Status: Dormant pursuant to the rules
- **HB1375** - Permits certain corporations to use one of several formulas when calculating taxable income. Status: Dormant pursuant to the rules

Data Privacy:

- **HB1030** - Creates the Computer Data Privacy Act, which provides standards and disclosure requirements relating to consumer data privacy and autonomy. Status: Dormant pursuant to the rules
- **SB20X** - (Filed in Special Session) – Establishes certain regulations and reporting requirements on stored data be reported to the Oklahoma Attorney General. Status: Not heard in the Senate Joint Appropriations

Miscellaneous:

- **HB1711** - Requires medical marijuana commercial growers to inform utilities of their status as marijuana producers and directs OMMA to establish a system to monitor marijuana grower power and water usage. Status: Dormant pursuant to the rules
- **HB1633** – Prohibits certain retail and service industry establishments, including utilities, from denying customers access to cash payment for in-person purchases. Status: Dormant pursuant to the rules
- **HB2242** - Exempts domestic abuse, stalking and harassment victims in the possession of protective orders from paying certain initial credit and deposit costs for utilities. Status: Signed by the governor, Became effective 5/12/23
- **HB2565**: Requires regulated utilities to submit additional emergency and maintenance plans to the OCC prior to any requested rate increase taking effect. Status: Dormant pursuant to the rules
- **HB2857**: Allows the terms and conditions of an expired municipal franchise agreement to continue in effect as an implied contract between the municipality and the franchise holder for a reasonable time. Status: Dormant pursuant to the rules
- **SB497**: Includes an OKIE811 locate ticket exemption for burying communication lines by non-mechanized, human power, 12 inches from the communications terminal. The bill also contains language that will allow for better coordination between operators and excavators during the design phase of a construction project. This coordination will help mitigate the potential impact to existing underground facilities. Status: Enacted

Pennsylvania

STATE UPDATE:

Democratic Governor Josh Shapiro assumed office on January 17, 2023. Republicans maintain a 28-22 majority in the PA Senate. Democrats gained the majority in the PA House following the 2022 elections and now hold a 102-101 majority. Democrats have not controlled the House since 2010.

Governor Shapiro convened a state workgroup to discuss the future of the Regional Greenhouse Gas Initiative (RGGI). A concurrent resolution barring the previous Administration from joining RGGI was vetoed by then Governor Wolf in January 2022. PA DEP published the rules to implement RGGI in April 2022. On July 8th, the Commonwealth Court agreed with the PA Senate and granted a preliminary injunction- enjoining DEP from implementing and enforcing RGGI until further order by the Court. The focus of the challenge centered around the Governor's unilateral action to join RGGI without the approval of the legislature. A recommendation from this workgroup is expected to be released this summer.

STATE ENERGY UPDATE - CURRENT OF RELEVANT BILLS:

Customer-Related

HB 1077 would reauthorize Chapter 14 Reauthorization (Responsible Utility Protection), which provides utilities with tools for collecting past due customer balances and outlines the termination process. This Act expires December 31, 2024, unless reauthorized. The bill amends requirements for payment arrangements, termination of service, reconnection of service, waivers for late payment charges, and complaints filed with the Public Utility Commission. Hearings are anticipated on this program in the fall. No bills on the reauthorization of Chapter 14 have been introduced in the Senate to date, although a hearing was held in May to solicit input on areas for program improvements.

SB 558 requires EDCs to separate expenses associated with default service from distribution charges; allows customers to switch suppliers without providing their customer account number; and requires suppliers to provide marketing training. The bill is in Committee.

SB 558 would require electric distribution companies to separate expenses associated with default service from distribution charges. The bill would also allow customers to change suppliers without using their customer account numbers. In addition, suppliers would be required to train their employees and contractors on proper marketing practices. The bill is in Committee.

HB 109 would prohibit fees for early termination upon death of a customer. The bill is in Committee.

Senate Resolution 116, directing the Legislative Budget and Finance Committee to study and issue findings concerning consolidated billing for electricity consumers, is in Committee.

Electric Distribution/Transmission

SB 143 would prohibit municipalities from restricting connections to utilities based on the source of energy to be delivered. SB 143 passed the Senate on March 8, 2023, and is pending with the House Local Government Committee.

PA Continued

The Underground Utility Line Protection Law which seeks to protect underground utilities expires on December 31, 2024. This law created the PA1 Call System in the 1970 and requires homeowners and contractors to call the PA 1 Call System (8-1-1) at least three business days before starting a digging or excavation project. The PA One 1 Call Board will submit recommended changes to the House and the Senate, with legislation expected to be introduced in the fall.

Electrification

HB 1240 would require EDCs to develop a plan to evaluate the reliability and resiliency of the transmission and distribution systems, as well as the rates charged for customers for EV deployment. EDCs would be required to update the plan every 5 years. The bill is in Committee.

Environmental/Environmental Justice

SB 211 would require environmental decommissioning and bonding requirements for commercial solar facilities. The bill is in Committee.

Solar (Distributed & Utility-Scale)

SB 230 would create a mandatory community solar program requiring EDCs to make grid services payments to owners of community solar facilities. The bill would expand the Alternative Energy Portfolio Standards Tier I requirement from 8% to 30% by 2030, including 8% for in-state grid-scale solar, 2% for community solar, and 4 % for in-state distributed generation solar. The bill is in Committee. Governor Shapiro supports amending the AEPS Act to raise the target for renewables from 8% to 30% by 2030 and aim to reach net-zero carbon emissions by 2050.

SB 550 would create a mandatory community solar program requiring EDCs to make grid services payments to owners of community solar facilities. The bill is in Committee.

HB 330 would create a voluntary local solar program allowing EDCs to solicit RFPs for local solar facilities. Subscribers would be credited at a rate that would include charges for management and use of the grid. The local solar facilities would not subsidize the subscribers at the expense of the non-local solar customers. The bill is in Committee.

HB 137 would create a Solar for Schools Program to expand solar opportunities at schools and universities.

Utah

Dominion Energy's actions were aligned on important issues facing the state (water, growth, infrastructure investment, education funding earmarks/voucher program, tax cuts, and affordable housing). Dominion consistently messaged a sustainable future with the reliability of natural gas, programs to expand service in rural communities, while facilitating growth and keeping customer rates low.

SB 62 - Hydrogen Amendments

Hydrogen legislation passed providing a template for hydrogen development in Utah, which establishes a hydrogen advisory council within the Office of Energy Development. Dominion Energy is active in the effort to advance the Hydrogen Hub in Utah and the West.

HB 370 - Utility Infrastructure Amendments

This bill addressed the destruction of or tampering with a critical infrastructure facility enforcing criminal penalties.

Virginia

USGO 2023 WASHINGTON GAS UPDATE

Virginia's General Assembly held a 46-day Regular "short" Session, with Republicans controlling the House of Delegates, 52-48, and Democrats the Senate, 22-18, with the Lieutenant Governor breaking ties.

This year's November ballot features all 100 House seats and the 40 Senate seats.

Passed was a significant update to the Commonwealth's Underground Utility Damage Prevention Act, considered by our Company's Safety Manager to be "one of the most progressive laws in the country supporting safety through damage prevention." The bill requires excavators to review updates in the 811 positive response system and conduct additional safety verifications before digging. It also increasing penalties for violations.

Two bills reform Virginia's workforce programs, assisting our Human Resources Department's efforts to recruit and retain qualified personnel. Creating a Virginia Department of Workforce Development and Advancement, the measure combines many current programs into a modern workforce network. We worked very closely with the Governor's Secretary of Labor to enact these long overdue reforms.

This being Washington Gas' 175th anniversary since being founded to install gas lamps in the U. S. Capitol and power The White House, the General Assembly thoughtfully passed a commending resolution.

Defeated were several measures imposing prohibitions on public service corporations and their political action committees from contributing to candidates for public office.

Included in the Governor's budget is a record appropriation for The Virginia Business Ready Sites Program, administered by the Virginia Economic Development Partnership, and geared to preparing potential manufacturing sites for utilities and businesses.

Also supported by the Administration was funding for the newly created Virginia Power Innovation Fund to finance research and development of innovative energy technologies, including nuclear, hydrogen, carbon capture and utilization, as well as energy storage. This complements last year's enactment of The Virginia Energy Innovation Act adding hydrogen and biogas to the portfolios of Virginia's natural gas utilities.

Added to House and Senate budget bills was language extending the current 30-day registration period for utility customers applying for funding from the Low-Income Home Energy Assistance Program (LIHEAP) to year-round.

WI Continued

hearings on both bills were held May 16th. WUA registered in favor of both bills. SB 67 passed the Committee on a 5-0 vote May 25th. SB 67 is available for scheduling and no action has been on AB 73 since the hearing May 16th.

LRB 1745/1 Warning lights (Tomczyk, Callahan) – The bill allows utility vehicles to utilize amber or green lights when marking their vehicles. Under LRB 1745, vehicles utilizing these lights must be restoring utility services or repairing damaged infrastructure. WUA supports this bill. It is currently circulating for co-sponsorship with a deadline of June 23 at 5 pm.

SB 270 / AB 275, Memo, Utility Relocations (Tomczyk, Steffen) The bills create a process for a highway improvement contractor to seek damages from WisDOT for project delays that are the result of an uncompleted relocation or adjustment of a utility facility located in the right-of-way of the highway. SB 270 and AB 275 were introduced on May 8th and 17th, respectively and received public hearings May 23rd. WUA has no position on these bills. AA 1 and SA 1 (extends repayment period to DOT from 60 to 90 days, etc.) are both pending. No action has been taken since the last report on either bill.

SB 151 / AB 165, Memo Wind Energy Regulation (Jacque, Bodden) This bill allows a political subdivision to impose a restriction on a wind energy system that is more restrictive than PSC rules, under certain conditions. WUA has not taken a position. SB 151 was introduced April 3rd 2023 and referred to the Utilities and Technology Committee. AB 165 was introduced April 10th, 2023. It was referred to the Energy & Utilities Committee. No action has been taken on either bill since the last report.

AB-105 / SB 109, ATV's on Highway (Quinn, Green) Allows operation of an all-terrain vehicle or utility terrain vehicle owned by an electric cooperative on a highway. WUA has no position. Introduced March 14th and referred to Assembly Energy and Utilities. SB 109 was introduced March 1, 2023 and referred to Utilities and Technology Committee. SA 1 is pending. Both AA 1 and SA 1 include contractors of co-ops and municipal electric utilities. A public hearing was held on May 16th on AB 105. Executive action was taken on AB 105 June 6th. The amendment was approved unanimously and the bill was recommended for passage, as amended, 16-0.

SB 226 / AB 258, Memo Community Solar (Stroebel, Krug) Authorizing community solar programs and granting rule-making authority. WUA opposes this bill. SB 226 was introduced April 14th and referred to Utilities and Technology Committee. AB 258 was introduced May 8th and referred to the Energy & Utilities Committee. No action has been taken since the last report.

SB 70/AB 43, State Budget as proposed by Governor Evers February 15, 2023

Utilities - Highlights of Utility-Related Items from the LRB Budget Document in SB 70 -

The bill require investor-owne and municipal electric utilities to file **integrated resource plans** with PSC. The bill also requires PSC to review the Integrated resource plans filed by electric utilities **to inform its biennial strategic energy assessment**. The bill **adds the retiring of any existing electric generating** facility fueled by nonrenewable combustibile energy resources as an environmental control activity, the costs of which may be financed by an **environmental trust bond**. The bill allows PSC to authorize a **public utility to finance energy improvements** at a specific dwelling for a residential or commercial customer. Under the bill, a public utility may recover the costs of such an energy improvement through a surcharge periodically placed **on the customer's account**. Equity-focused intervenor compensation The bill requires PSC to reserve **\$50,000**

Wisconsin

The following are highlights of issues which WUA is either monitoring or on which WUA is engaged during the 2023-2024 Legislative Session. The latest actions are noted in italics:

SB-022 / AB20 Electricity Tax Exemption (Jacque, Murphy) - Introduced January 30th, this bill extends the sales and use tax exemption for electricity and natural gas sold for residential use to year-round. AB 20 was referred to Assembly Committee on Ways and Means. WUA supports these bills. SB 22 was referred to Senate Utilities & Technology which held a public hearing May 16th. WUA registered in favor. No action since the previous report.

SB 308 / AB 302- Data Centers (Quinn, Zimmerman) - This bill creates a sales and use tax exemption for equipment or software used by a qualified data center for the processing, storage, retrieval, or communication of data. WUA supports this bill which was introduced May 24th and referred to the Committee on Universities and Revenue. Ways and Means Committee held a public hearing June 8th. WUA registered in favor. Executive session was held June 15 on AB 302 by Ways and Means and the Committee recommended passage, 10-0 with 2 absent.

SB 49 / AB45, Energy Freedom, a.k.a. “ban the ban” (Bradley, Knodl) - This bill prohibits local governments from restricting utility service based on the type of energy to be provided and from discriminating against a utility or LP provider based on the source of the service. It does not affect their authority to either 1) manage or operate a public utility; or 2) take steps designed to reduce greenhouse gas emissions. WUA Supports this bill. SB 49 was introduced February 14th and referred to the Senate Utilities and Technology Committee, SA 1 (adds co-ops) is pending. AB 45 was introduced February 20, 2023 and referred to the Assembly Energy & Utilities Committee and AA 1 (adds co-ops) is pending. SSA 1 (incorporates SA 1, adds state agencies) was introduced May 15th and a public hearing was held May 16 on both bills. WUA jointly testified in favor of both with AGA. SB 49 was voted out of committee, 3-2 (Pfaff, Smith) as amended by SSA 1, also 3-2 (Pfaff, Smith) on May 25th. AB-045 was voted out of committee June 7 on an 11-3 vote, as amended by ASA 1 (Adds state agencies). (Subeck, Andraca, Moore Omokunde voted against adoption of ASA1 and passage, as amended). SB 49 passed the Senate on a 22-11 party line vote on June 7. AB 45 is scheduled for Assembly floor action on June 21st.

AB 46 / SB 47, Solar Siting (Plumer, Ballweg) – The bill requires notice to political subdivisions and landowners regarding proposed large solar energy facilities, requirements for applying for CPCNs and joint solar development agreements. WUA generally opposes this bill. AB 46 was introduced February 20th, 2023 and referred to the Assembly Energy & Utilities Committee. SB 47 was introduced February 14th and referred to the Senate Utilities & Technology Committee. No action has been taken since the last report.

SB 67 / AB 73, Utility Aid Payments (Ballweg, Oldenburg) – The bill defines “decommissioned” in statute by codifying the Department of Revenue’s current practice for decommissioned power plants and creates a fix so that communities that host a plant with multiple power generating units do not experience an immediate drop in aid because one of the power generating units closes before the other. WUA supports this bill. SB 67 was introduced February 15th, 2023 and referred to the Senate Utilities & Technology Committee. AB 73 was introduced February 28th, 2023 and referred to the Assembly Energy & Utilities Committee. Public

WI Continued

environmental issues affecting low-income populations. The bill **increases the amount utilities must spend to 2.4 percent** of their annual operating revenues from retail sales for FOE. **The bill also expands the definition of “energy efficiency program”** to include a program that deploys electric technologies to meet energy needs currently served by other fuels in order to 1) reduce the usage of energy, increase the efficiency of usage of energy on a fuel-neutral basis, or reduce adverse environmental impacts, including carbon dioxide emissions and 2) reduce costs for electric public utilities and retail electric cooperatives or their customers or members. The bill **requires PSC to consider the social cost of carbon** in determining whether to issue certificates required to construct large electric **generating facilities or high-voltage transmission** lines or to engage in certain other public utility projects. The bill provides that it is **not unreasonable or unjustly discriminatory for a public utility to implement low-income assistance programs** if approved in a rate case in which PSC reviewed the program eligibility criteria and program credits or rebates and if that cost is incorporated in the public utility's published schedules or tariffs. The bill **increases the maximum penalties** (quadruples?) for persons who fail to operate and maintain **gas production, transmission, and distribution** facilities in a reasonably adequate and safe manner. The bill **requires PSC to administer annual impact and onetime environmental impact fees** paid under current law by persons authorized by PSC to operate high-voltage transmission lines. (Under current law, DOA administers the fees). The bill allows water **public utilities to make grants that cover the full cost of replacing lead-containing** customer-side water service lines.

Republicans continue to build a compromise budget in Joint Finance (JFC) over the coming weeks after removing these policy items.

Executive Sessions are currently being held on the budget.

Budget Documents Links

Budget in Brief of PSC Recommendations by the Governor

<https://doa.wi.gov/budget/SBO/2023-25%20155%20PSC%20ExASExecutive%20Budget.pdf>

Full Budget LRB Document, SB 70

<https://docs.legis.wisconsin.gov/2023/related/proposals/sb70>

DOA 2023-25 Executive Document Page

LRB Budget Analysis

Links to Committees:

<https://docs.legis.wisconsin.gov/2023/committees/assembly/2636>

<https://docs.legis.wisconsin.gov/2023/committees/senate/2686>

2023-2024 Session Calendar

https://docs.legis.wisconsin.gov/2023/related/session_calendar/calendar

Wyoming

Dominion Energy was part of energy coalitions along with the business community and associations. Wyoming's legislature understands the foundation of all the energy resources that supports natural gas. As renewables blend into future demands, natural gas remains an anchor energy choice.

SF 154 - Energy authority project financing refineries

This bill passed that expands Energy Authority bonding authority to allow for refinery expansion projects.

Common themes affecting the West:

Multiple bills failed which could have affected the energy industry, including increasing taxes on utility scale solar projects, placed a moratorium on eminent domain for lines connecting wind power, socialized the cost of carbon capture technologies, as well as several others which would have harmed companies with ESG policies.

Attractions



Interactive Walking Tours' App (Recommended during daylight hours)

Download "French Quarter Tours" from the App Store



945 Magazine Street 9am-5pm daily

Purchase tickets online @ www.nationalww2museum.org



**Audubon
Zoo**



**Audubon
Aquarium**



**Audubon
Insectarium**



Spanish Square @ Four Seasons

Cruises 10am-12:30pm and 2pm-4:30pm daily

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