



## August Recess Talking Points July 2017

### **About NWPPA**

**Background:** Although most Members and staff are familiar with NWPPA, high turnover and information overload make it important to begin meetings with a brief introduction that helps orient the discussion and remind Members and staff of the local and not-for-profit nature of NWPPA member utilities.

#### **Talking Points:**

- NWPPA is the regional trade group representing 153 not-for-profit electric utilities: municipalities, cooperatives, and public/peoples' utility districts in 9 Northwestern states and Canada.
- Our member utilities serve communities large and small, and we value local decision-making and providing low-cost electric service to our communities. Many receive federal hydropower from Bonneville Power Administration or Western Area Power Administration.
- I am (on the board/commission, a director) of [Name of your utility] and we serve # of meters/residents and businesses in your district.

### **Energy Policy – Hydropower Licensing reform**

**Background:** NWPPA supports legislation to streamline hydro relicensing, recognize ALL hydro as a renewable and make FERC the lead agency for hydro licensing. The House Energy and Commerce Committee reported an updated version of Rep. Cathy McMorris Rodgers' (R-WA) "Hydropower Policy Modernization Act," and the Senate energy bill introduced by Sens. Lisa Murkowski (R-AK) and Maria Cantwell (D-WA) includes similar provisions.

#### **Talking Points:**

- NWPPA strongly supports Congressional efforts to pass legislation that would streamline hydro relicensing, recognize all hydro as renewable and make FERC the lead agency for licensing.
- **[House]** We hope the House will act on Rep. McMorris Rodgers' hydro bill and urge support of the bill.
- **[Senate]** We urge support for the Senate energy bill or legislation to streamline hydro licensing.

## **Energy Policy – Vegetation Management**

**Background:** NWPPA supports legislation to provide a clear and efficient process for federal agency approvals of vegetation management plans on or near federal rights-of-way and relief from liability when agencies fail to approve access the land or plans in a timely manner. Recently, the House passed H.R. 1873, the “Electricity Reliability and Forest Protection Act,” which streamlines vegetation management permitting and provides liability protection. The recently introduced Senate energy bill also includes vegetation management permitting provisions that provide relief from strict liability. Also, Sen. Steve Daines (R-MT) is preparing stand-alone vegetation management legislation.

### **Talking Points:**

- NWPPA supports “utility rights-of-way” legislation.
- The legislation would provide
  - A clear and efficient process for federal agency approvals of vegetation management on or near federal rights-of-way; and
  - Relief from liability when agencies fail to approve those plans in a timely manner or delay access to and activity on the right-of-way.
- **[House members]** Thank you for your support for H.R. 1873. We hope the Senate will act on a version of this legislation soon.
- **[Senators]** We were pleased to see vegetation management provisions in the reintroduced Senate energy bill and urge you to support those provisions
- **[DAINES ONLY]** We appreciate the Senator’s efforts to introduce legislation on vegetation management and want to work with him on it.

## **Energy Policy – Wildfire Budgeting**

**Background:** Each year, fire suppression consumes an increasing share of the U.S. Forest Service budget, preventing needed fire prevention activities. NWPPA supports efforts to legislate wildfire funding as disaster relief, separating fire suppression activities from the USFS budget: Rep. Mike Simpson (R-ID) has introduced H.R. 2862, the “Wildfire Disaster Funding Act,” to do so.

### **Talking Points:**

- NWPPA supports legislation that would eliminate the U.S. Forest Service’s need (USFS) to transfer funds from critical forest conservation and management programs to fire suppression.
- Transferring funds within its budget reduces funds for critical forests management activities like fire prevention.
- **[House]** NWPPA urges support for Rep. Simpson’s H.R. 2862 to ensure wildfire suppression is paid for by emergency disaster funds, instead of budget dollars meant for prevention.

- **[Senate]** NWPPA urges introduction of wildfire budgeting legislation.

### **Energy Policy – PMA Transmission**

Background: The President’s Budget recommends selling off the transmission assets of the Power Marketing Administrations (PMAs). Most Northwest Members of Congress have signed letters to the President or the Chairman of the Budget Committee indicating this is unacceptable. (Letters are attached)

#### Talking Points:

- As you know, the PMAs are critical to maintaining low-cost rates for our communities.
- Selling off the PMA transmission assets, as the President’s Budget calls for, would only raise rates across consumer owned utilities.
- Thank you for your efforts to educate the new Administration about the value of the PMAs here in the Northwest and across the Nation.

### **Financing – Municipal Bonds**

Background: Congress is still considering tax reform and may move aggressively on this issue after the August recess. Previous reform drafts have capped or limited the interest exemption for municipal bond income, threatening the availability of this critical financing tool for government-owned utilities.

#### Talking Points:

- The continued availability of tax-exempt municipal bonds is critical to NWPPA’s municipal members’ ability to maintain electric reliability and affordability.
- NWPPA urges Congress to reject proposals to tax municipal bond interest, as this would increase municipal utilities’ borrowing costs, limit investment in critical infrastructure, and raise electric rates.

### **Financing – Rural Utilities Service**

Background: Congress is considering appropriations bills for FY18. The President’s Budget maintains \$5.5 billion in loan volume for the Rural Utilities Service, which is reflected in the House and Senate FY18 Agriculture Appropriations bills.

#### Talking Points:

- NWPPA supports the Rural Utilities Service (RUS), which enables building and maintaining electric infrastructure, and urges adequate funding for loan levels and authorization.
- We support full funding for the RUS program at \$5.5 billion of loan volume.

### **Small Modular Reactors (SMR)**

Background: Several NWPPA members are participating in a project to site an SMR in the West. Several key pieces of federal support are at risk, including Department of Energy (DOE) matching funds (cut from the FY18 Budget and divided between two accounts in the House and Senate appropriations bills), the loan guarantee program (eliminated by the House and Senate appropriations bills), and the nuclear production tax credit (a bill to extend and modify this credit has passed the House and awaits action by the Senate).

Talking Points:

- NWPPA supports a project to bring small modular reactor technology to the Idaho National Lab.
- In order to come to fruition, the first-of-a-kind project needs assistance in the form of congressional matching appropriations, availability of loan guarantees from the Department of Energy, and an extension of the nuclear production tax credit.
- We urge full funding for SMRs in the energy and water bill and restoration of the DOE loan guarantee program, to keep it alive for those who have already applied for loans.
- Thanks to House members who voted for the nuclear PTC fix – we hope the Senate will act on this important bill soon.