



Reporting Item

BOARD OF DIRECTORS

December 14, 2021

ITEM

Legislative and Regulatory Update

PURPOSE

To provide an update on 2021 state and federal legislative matters and regulatory matters

FACTS

- a. Nebraska's 107th Legislature began on January 6, 2021 and ended on May 27, 2021.
- b. The Special Session of the Nebraska Legislature for redistricting began on September 13, 2021 and ended on September 30, 2021.
- c. The 117th Congress began on January 3, 2021 and is expected to end January 3, 2023.

ACTION

Reporting item

RECOMMENDED:

DocuSigned by:
Lisa A. Olson
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Lisa A. Olson
Vice President – Public Affairs

APPROVED FOR REPORTING TO BOARD:

DocuSigned by:
L. Javier Fernandez
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L. Javier Fernandez
President and Chief Executive Officer

Attachment: State and Federal Legislative Update

Legislative Update 12/14/2021

Tim O'Brien, Director – Economic Development & External Relations

State Legislative Update



Interim Study Hearings

- LR 83 – Introduced by Senator Matt Hansen – Interim study to examine the gubernatorial appointment process of members to boards, commissions, and similar entities. Hearing held October 20 2021.
- LR 106– Introduced by Senator Kolterman - Interim study to monitor underfunded defined benefit plans administered by political subdivisions as required by section 13-2402 - Hearing held November 5 2021 John Thurber testified on behalf of OPPD.
- LR 234 – Introduced by Senator Friesen – Interim study to examine issues related to the regulation and taxation of electric vehicles. The Transportation and Telecommunications Committee is not expected to have a hearing on LR 234.

Interim Study Hearings

- LR 136 – Introduced by Senator Brewer - Interim study to examine and evaluate the causes, costs, and impacts of rolling electrical power outages during the extreme weather events of February 2021. Invited testimony only.
 - Testifiers in order requested by the Chair of the Natural Resources Committee
 - Lanny Nickell, SPP
 - Jill Becker, Black Hills
 - Mary Harding, NPPD Board
 - Amanda Bogner, OPPD Board
 - DaNay Kalkowski, LES Board
 - Dennis Grennan, PRB
 - The Natural Resources Committee will offer a report to the Executive Committee of the Legislature in December with recommendations for legislation.

2022 Nebraska Legislative Calendar

Nebraska's 107th Legislature, Second Session

- 60 day session
- January 5th – Legislature will convene at 10 am
- January 20th – Last day of bill introduction
- April 20th – Sine die
- All other session information will be determined by the Speaker when the Legislature convenes on January 5th

2021 Carry over bills

LB & Current Status	Summary
LB 52 Lathrop	Provide for immunity for injury or death resulting from COVID-19 exposure
<i>Neutral</i>	<i>1/11/21 Referred to Judiciary Committee, 2/18/21 Hearing held</i>
LB 112 Albrecht	Require members of the public to be allowed to speak at each meeting subject to the Open Meetings Act
<i>Neutral</i>	<i>1/11/21 Referred to Government, Military and Veterans Affairs Committee, 1/27/21 Hearing held</i>
LB 120 Hunt	Prohibit discrimination based upon sexual orientation and gender identity.
<i>Support</i>	<i>1/11/21 Referred to Judiciary Committee, 2/26/21 Hearing held</i>
LB 140 Stinner	Change provisions relating to enforcement of railroad safety standards
<i>Neutral</i>	<i>1/12/21 Referred to Appropriations Committee, 2/19/21 Hearing held</i>
LB 212 M. Cavanaugh	Prohibit charging members of the Legislature fees for public record requests.
<i>Oppose</i>	<i>1/12/21 Referred to Executive Board, 2/25/21 Hearing held</i>
LB 266 McCollister	Adopt the Renewable Energy Standard Act
<i>Neutral</i>	<i>1/14/21 Referred to Natural Resources Committee, 2/11/21 Hearing held</i>

2021 Carry over bills

LB & Current Status	Summary
LB 339 Bostelman	Require a utility coordination plan for certain highway and bridge contracts
<i>Neutral</i>	<i>1/15/21 Referred to Transportation and Telecommunication Committee, 2/16/21 Hearing held</i>
LB 344 Friesen	Change provisions of the One-Call Notification System Act and create the Underground Excavation Safety Committee.
<i>Oppose</i>	<i>1/15/21 Referred to Transportation and Telecommunication Committee, 2/1/21 Hearing held, 2/24/21 Placed on General File with AM83</i>
LB 409 Brewer	Provide for a moratorium on construction of electric transmission lines and create the Electric Transmission Line Study Committee of the Legislature
<i>Oppose</i>	<i>1/14/21 Introduced, 1/22/21 Brewer priority bill, 2/3/21 Hearing held</i>
LB 424 Brewer	Provide and change zoning requirements for wind energy generation projects.
<i>Oppose</i>	<i>1/20/21 Referred to Government, Military and Veteran Affairs Committee, 2/26/21 Hearing held</i>
LB 455 Friesen	Adopt the Broadband Pole Attachment Act
<i>Oppose</i>	<i>1/20/21 Referred to Transportation and Telecommunications Committee, 2/8/21 Hearing held</i>
LB 460 Brandt	Authorize leasing of dark fiber and eliminate certain powers of the Public Service Commission
<i>Support</i>	<i>1/20/21 Referred to Transportation and Telecommunication Committee, 2/9/21 Hearing held</i>

2021 Carry over bills

LB & Current Status	Summary
LB 483 J. Cavanaugh	Provide for climate change study and action plan
<i>Neutral</i>	<i>1/20/21 Referred to Natural Resources Committee, 2/11/21 Hearing held</i>
LB 486 Day	Require train crews of at least two individuals
<i>Neutral</i>	<i>1/21/21 Referred to Transportation and Telecommunications Committee, 3/1/21 Hearing held</i>
LB 506 J. Cavanaugh	Change provisions relating to net metering provided by local distribution utilities
<i>Neutral</i>	<i>1/22/21 Referred to Natural Resources Committee, 2/10/21 Hearing held</i>
LB 512 Brewer	Adopt the Critical Infrastructure Utility Worker Protection Act
<i>Support</i>	<i>1/22/21 Referred to Business and Labor Committee, 3/1/21 Hearing held</i>
LB 520 Friesen	Provide for applications for the collocation of certain wireless facilities
<i>Neutral</i>	<i>1/22/21 Referred to Transportation and Telecommunications Committee, 2/8/21 Hearing held</i>
LB 539 Walz	Provide for the limit on the length of trains
<i>Neutral</i>	<i>1/22/21 Referred to Transportation and Telecommunications Committee, 3/1/21 Hearing held</i>

2021 Carryover legislation

LB & Current Status	Summary
LB 573 Bostar	Change the definition of qualified facility for purposes of net metering
<i>Neutral</i>	<i>1/22/21 Referred to Natural Resources Committee, 2/10/21 Hearing held</i>
LB 619 Sanders	Change excavation requirements under the One-Call Notification System Act
<i>Neutral</i>	<i>1/22/21 Referred to Transportation and Telecommunication Committee, 2/1/21 Hearing held</i>
LB 683 Wayne	Change provisions relating to net metering
<i>Oppose</i>	<i>1/22/21 Referred to Natural Resources Committee, 2/10/21 Hearing held</i>

Legislative Preview

Major Topics

- Carry over bills
- American Rescue Plan Act bills
- Tax policy

Potential topics related to OPPD's interests

- LR136 Recommendations – possible legislative ideas
- Electric Vehicles (EVs), various topics
- Broadband
- Climate/Natural Disasters

Federal Legislative Update



Federal Update

- Budget reconciliation package.
 - House passed the Build Back Better bill (reconciliation package) on November 19th.
 - Senate now hopes to vote on the reconciliation package before Christmas.
 - Initial \$3.5 trillion budget reconciliation reduced to \$1.75 trillion with \$555 billion for Clean Energy Tax credits and climate funding.
 - Clean Electricity Payment Plan (CEPP), carbon tax, carbon border tax are likely out.
- Reconciliation will likely not be taken up until after the National Defense Authorization Act, funding the government, and debt limit are addressed.
- OPPD tracking potential funding opportunities available to public power utilities from the Infrastructure Investment and Jobs Act.
- 9,332 bills introduced in the 117th Congress as of December 1st.

SOURCE Congress.gov, Politico, Whitehouse.gov

Breakdown of \$1.75 trillion budget resolution to the American Jobs Plan

After weeks of negotiations, the House passed the budget resolution in a final vote of 220-213. Senate Majority Leader Chuck Schumer announced a soft deadline to pass the reconciliation bill by Christmas; any changes to the bill by the Senate will send it back to the House for review.

On November 19, the House passed the social spending bill. Here's what is included in the proposal:

Provision	CBO cost estimate in billions
Universal Pre-k and Child-care	\$381.5B
Paid family and sick leave	\$194B
Enhanced child tax credit	\$203B (with income tax credit)
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Home health care	\$400B
Affordable Care Act Subsidies	\$126B
Medicaid coverage gap	\$57B
Medicare hearing benefits	\$36.7B
Climate change	\$570B
Affordable Housing	\$148.1B
Pell Grants	\$39.8B
Immigration	\$100 billion
State and local tax deduction (SALT)	Tax deductions would be capped at \$80,000 per year

RECONCILIATION UPDATES

- The Congressional Budget Office predicted that the total impact on the federal deficit from the bill would be \$367 billion over 10 years however the estimate failed to include the \$207 billion in additional revenue in tax cheats calculated by the I.R.S
- After months of negotiations the House passed the social spending bill in a final vote of 220-213 on November 19. Only one democrat, Jared Golden (D-ME) voted against the bill.

NEXT STEPS

- The bill now heads to the Senate where Senator Majority Leader Chuck Schumer (D-NY) aims to have the bill passed by Christmas
- All 50 members of the Democratic caucus will need to back the bill for its passage
- Changes to the bill are likely to occur in the Senate as Senators Joe Manchin and Kyrsten Sinema have expressed concerns over the bill.
- Current concerns of Senator Manchin include pushback on paid leave programs, use of the spending bill to expand Medicare, methane emission fees, tax credits for union-made electric vehicles and potential inflation
- Senate Budget Committee Chairman Bernie Sanders (I-Vt.) expressed additional expansions to Medicare including vision and dental
- Democrats will continue to meet with the Senate parliamentarian over the next few weeks to complete the technical and procedural work required before the bill goes the floor

Investments in Clean Energy and Combatting Climate Change in Build Back Better Package

- **Clean Energy Tax Credits (\$320 billion):** Ten-year expanded tax credits for utility-scale and residential clean energy, transmission and storage, clean passenger and commercial vehicles, and clean energy manufacturing.
- **Resilience Investments (\$105 billion):** Investments and incentives to address extreme weather (wildfires, droughts, and hurricanes, including in forestry, wetlands, and agriculture), legacy pollution in communities, and a Civilian Climate Corps.
- **Investments and Incentives for Clean Energy Technology, Manufacturing, and Supply Chains (\$110 billion):** Targeted incentives to spur new domestic supply chains and technologies, like solar, batteries, and advanced materials, while boosting the competitiveness of existing industries, like steel, cement, and aluminum.
- **Clean Energy procurement (\$20 billion):** Provide incentives for government to be purchaser of next gen technologies, including long-duration storage, small modular reactors, and clean construction materials.