



Reporting Item

BOARD OF DIRECTORS

November 16, 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 11/11/2021

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

State Legislative Update



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
 - OPPD Board Chair Amanda Bogner testified. Director Bogner did a great job presenting OPPD’s after action report and the steps being taken to improve from the report. We are finalizing the strategy, which is fluid. The Natural Resources Committee will offer a report to the Executive Committee of the Legislature in December with recommendations for legislation.

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 scheduled November 5 2021 John Thurber will testify on behalf of OPPD.
- LR 234 – Introduced by Senator Friesen – Interim study to examine issues related to the regulation and taxation of electric vehicles. Expected to be scheduled for a hearing in December.

Federal Legislative Update



Federal Update

- The House passed the \$550 billion infrastructure bill on Friday night Nov. 5th, 228-206, sending the measure to President Biden's desk.
- Negotiations continue for budget reconciliation packages.
 - House likely to vote on House version of reconciliation sooner than Senate.
 - Senate hopes to vote on the reconciliation package before Thanksgiving.
 - 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.
- Debt ceiling compromise from Senate GOP is being discussed/offered.
- 9,131 bills introduced in the 117th Congress as of November 11th.

Infrastructure Investment and Jobs Act (IIJA) Overview

Authorizes nearly \$550 billion in new federal money for infrastructure projects, as well as to renew existing programs that were set to expire in September.

- **\$110 billion** for roads, bridges, and other major projects
- **\$73 billion** to update the nation's electricity grid
- **\$66 billion** for passenger and freight rail
- **\$65 billion** for broadband internet
- **\$55 billion** for water infrastructure
 - **\$15 billion** for removing lead pipes
- **\$50 billion** for climate resiliency projects
- **\$39 billion** for public transit
- **\$25 billion** for airports
- **\$21 billion** for environmental remediation projects
- **\$17 billion** for ports and waterways
- **\$11 billion** for transportation safety projects
- **\$7.5 billion** for low emissions buses and ferries
- **\$7.5 billion** to construct EV charging stations

Infrastructure Investment and Jobs Act – NE Breakdowns

- Based on formula funding, Nebraska is expected to receive the following share of the \$550 billion in new infrastructure spending:
 - Roads and bridges: \$2.225 billion
 - Broadband: \$100 million
 - Public Transportation: \$186 million
 - Electric grid and next generation energy technologies: \$30 million
 - Climate resilient infrastructure: \$29.5 million
 - Water infrastructure: \$358 million
 - Airport improvements: \$111 million
- Grant Opportunities will be available for significantly more funding.
- As Federal and State agencies set up programs and funding mechanisms, we will engage with Funding Opportunity Announcements over the next year to 18 months.

Source: https://www.whitehouse.gov/wp-content/uploads/2021/08/NEBRASKA_Infrastructure-Investment-and-Jobs-Act-State-Fact-Sheet.pdf

Build Back Better Package Update

Energy Focus

- **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.