

Rob Talley

Talley & Associates

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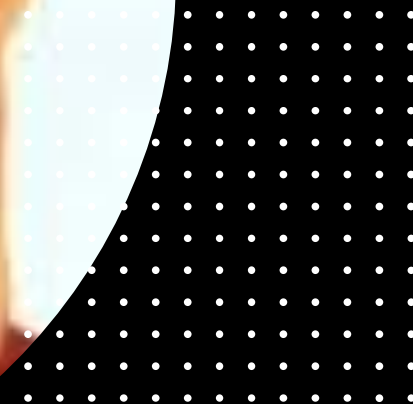
MEAG Power Mayors Summit





The View from Washington DC: A Study in Contrast

And, of
course

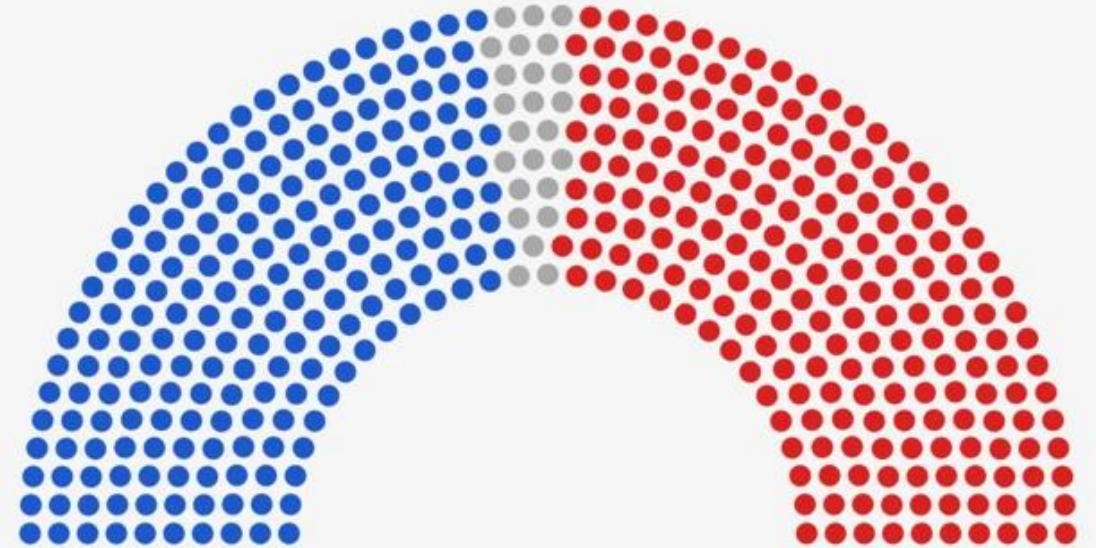


Seriously, It Happened

- Donald Trump will be our next President
- The Senate will be controlled by a Republican majority
- The House will be controlled (sort of) by a very slim Republican majority

United States House of Representatives

Seats for a majority: 218



Party	Seats
● Democrats	200
● Republicans	211
● Awaiting results	24

Source: NEP/Edison via Reuters, updated 10:05 GMT (05:05 EST) 8 Nov



Key Senate Leadership Changes

- Republican Leadership
 - Leader
 - John Thune (SD)
 - John Cornyn (TX)
 - Rick Scott (FL)
 - Whip
 - John Barrasso (WY)
 - running unopposed
 - Conference Chair
 - Joni Ernst (IA)
 - Tom Cotton (AR)
- Key Senate Committees
 - Senate Energy and Natural Resources Committee
 - Sen. Mike Lee (R-UT)
 - Sen. Martin Heinrich (D-NM)
 - Senate Environment and Public Works
 - Sen. Shelly Moore Capito (R-WV)
 - Sen. Sheldon Whitehouse (D-RI)

Key House Changes

- Republican leadership appears headed for same slate in 2025
 - Interesting given the very significant discord in the 118th Congress
 - Trump calling out embattled Speaker Johnson at election night rally seen as sign of support
- Necessary Rules changes to cement Speaker's authority?
- House Energy and Commerce Committee Chairmanship in competitive race
 - Brett Guthrie (KY)
 - Bob Latta (OH)
 - Richard Hudson (NC)
- Georgia delegation largely unchanged
 - Brian Jack (R) replaces retiring Rep. Drew Ferguson (R)

Action Items for the Lame Duck

Federal Funding
Agreement

Disaster Funding

Extension of FARM Bill

Water Resources
Development Act

Reauthorization of
Pipeline and Hazardous
Materials Safety
Administration's safety
programs

Reauthorization of the
National Flood
Insurance Program

National Defense
Authorization Act

Tax Extenders

Permitting Reform

Nominations (Judicial
nominations, boards and
commissions)

Congressional Review
Act resolutions of
disapproval (Clean
Power 2.0 rule)

Permitting Reform

- Senate Energy and Natural Resources Committee Proposal
 - Sen Joe Manchin (D-WV) and Sen John Barrasso (R-WY)
 - Expands FERC “backstop” authority by allowing feds to override the state to permit a project, if project is deemed in “national interest”
 - Requires interregional transmission plans, potentially force regions to share transmission capacity
 - Opens the door to allocating costs of transmission projects across states & regions
 - Expands FERC jurisdiction over public power
 - Leaves major Clean Water Act, National Environmental Policy Act, and Endangered Species Act concerns unaddressed
 - Passed Senate Committee 15-4
 - Without changes, opposed by APPA

WRDA & Federal Funding Endgame

- WRDA
 - MEAG supported changes to current law to prevent billing of non-electric projects to electric customers receiving federal power agency electricity
 - Rep. Mike Collins (R-GA) submitted language to address MEAG Power's concerns
 - Report language included in WRDA House Bill to affirm the authority of Federal power Marketing Agencies to set their rates
- Federal Funding and Budget Sequestration
 - Congress has not passed any of the necessary appropriations bills to fund the federal government for FY25
 - Current funding ends Dec 20th
 - Uncertain outcome: Omnibus Bill bakes in Democratic priorities
 - Congress must at least pass another Continuing Resolution
 - Congress must also waive the Budget Rules forcing sequestration

President Trump on Energy

- Anticipated Energy Positions
 - Executive Orders promoting energy independence and withdrawing Biden era policies
 - Increase oil and gas leasing on federal lands
 - Repeal DOE moratorium on LNG export permits
 - Roll back DOE regulations related to energy efficiency
 - Roll back DEI/EJ focused regulatory agenda
- Key Rumored Cabinet Picks
 - Department of Energy
 - Gov Doug Burgum (ND)
 - Dan Brouillette, Former EEI CEO
 - Rick Perry, Former DOE Secretary
 - US EPA
 - Andrew Wheeler, former EPA Administrator
 - Mandy Gunasekara, former EPA Chief of Staff
 - Myron Ebell, Former CEI Advisor, Former head of Trump EPA transition team
 - Robert F. Kennedy Jr.

Overall Policy Expectations



Congress:

Senate hamstrung by lack of 60 votes in Senate

Reconciliation allows push to repeal or modify parts of the Inflation Reduction Act

Focus on permitting reform to expedite fossil fuel projects requiring trades with Democrats on environmental issues



EPA:

Attempt to rescind or weaken power plant GHG emissions and other rules

Reduced enforcement of environmental regulations

Potential withdrawal from Paris Agreement



FERC:

Potential rollback of transmission planning reforms

Faster approvals for natural gas projects

Less emphasis on environmental justice considerations

119th Congressional Agenda

- Tax reform will be top line agenda item
 - Expiring tax provisions from 2017 Tax Cuts and Jobs Act include corporate and personal tax rate reductions
 - Total tax program costs contemplated to reach close to \$5 trillion
 - Republicans will seek to rescind select Inflation Reduction Act tax measures and appropriations to pay for tax cuts extensions
 - Uncommitted grant funding programs at risk of rescissions
 - Green energy tax breaks at risk of early termination
 - Public power utilities face potentially significant risk
 - Repeal of direct pay option for tax credits
 - Elimination or changes to federal tax treatment of interest on municipal debt

Electric Sector Policy Issues



Addressing accelerated electric demand

Unprecedented demand growth projection
Regulatory burden causing premature closure of dispatchable generation resources
Impediments to building new infrastructure
Uncertainty in future regulatory landscape



Integration of intermittent resources

Need for new transmission
Need for capacity to back up deployed resources



Supply chain concerns

Demand driving long lead times for major components



Workforce

Current utility sector workforce is aging
Increased buildout demand placing pressure on workforce capacity



Cost pressures

All of this costs money which will flow thorough to the consumer

Biden EPA Regulations Facing Scrutiny

- Anticipated Soon
 - CO₂ performance standards for existing natural gas plants
- Currently subject to legal challenge
 - CO₂ performance standards and emissions guidelines (CPP 2.0)
 - Mercury and Air Toxics Rule
 - Coal Combustion Residual Rule
 - Ozone Transport (Good Neighbor) Rule
 - Effluent Limitation Guidelines Rule
 - Waters Of The US (WOTUS) Rule(s)
 - Water Quality Certification Rule
- Trump EPA expected to take all actions to roll back these regulations



Senate Filibuster At Risk?

- Filibuster at Risk?
 - Trump has endorsed removing the filibuster in the past
 - A Republican sweep will increase pressure on Senate leaders to revisit the filibuster
- Current Limits on the Filibuster
 - Nominations: Executive branch nominations and federal judgeships, including Supreme Court nominees
 - Budget Reconciliation: Certain budget-related bills considered under the reconciliation process
 - Specific Legislation: Some laws have special procedures written into them e.g CRA
- Possible Reforms?
 - Exempt Specific Issues: Create exemptions for certain types of legislation
 - Reduce the Cloture Threshold: Lower the number of votes required to invoke cloture.
 - Shifting the Burden: Require those filibustering to maintain a certain number of senators present to sustain the filibuster, rather than requiring the majority to produce 60 votes.
 - Limit Filibusters on Procedural Motions: Prevent filibusters on motions to proceed to debate, while preserving them for the actual legislation.
 - Talking Filibuster: Reinstate the requirement that senators must continuously hold the floor and speak to maintain a filibuster.
 - Increase the Filibustering Threshold: Require more senators to initially object to ending debate, rather than just one



Questions?