

## **RESOLUTION NO. U-11510**

A RESOLUTION relating to the Department of Public Utilities; approving the federal legislative agenda for Tacoma Public Utilities for 2025.

WHEREAS the Department of Public Utilities, Customer Service and External Affairs Division, requests that the Public Utility Board confirm and approve the federal legislative agenda items for Tacoma Public Utilities ("TPU"), and

WHEREAS TPU's federal legislative agenda includes several proactive policy objectives aligned with TPU's legislative interests, and

WHEREAS staff plans to advocate for these objectives at the federal level, and

WHEREAS the staff-recommended agenda addresses a wide range of positions, including support for tax-exempt financing, customer assistance funding, infrastructure funding, and additional key items, and

WHEREAS as shared in the February 11<sup>th</sup> Joint Study Session, these represent priority or expected policy objectives for staff, though they are not the only items TPU will address at the federal level, Now, Therefore,

BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

That the Customer Service and External Affairs Division's proposed federal legislative policy items for Tacoma Public Utilities in 2025 are approved, as set forth in the 2025 TPU Federal Legislative Agenda as on file with the Clerk of the Board,



1 2 3 4	Approved as to form:  /s/ Chief Deputy City Attorney	Chair Secretary Adopted
	Clerk	
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#### **Board Action Memorandum**

TO:

Jackie Flowers, Director of Utilities

COPY:

Charleen Jacobs, Director and Board Offices

FROM:

LaTasha Wortham, Deputy Director, Lauren Adler, Federal Relations Manager

**MEETING DATE:** 

February 26, 2025

DATE:

February 12, 2025

### GUIDING PRINCIPLE ALIGNMENT (select as many that apply):

Please indicate which of the Public Utility Board's Guiding Principle(s) is supported by this action.

□ GP1 – Diversity, Equity, Inclusion, Belonging

⊠GP8 – Telecom

□ GP2 – Financial Sustainability

☐ GP9 – Economic Development

☐ GP3 – Rates

⊠GP10 – Government Relations

☐ GP4 – Stakeholder Engagement ☐ GP5 – Environmental Sustainability ☐ GP12 – Employee Relations

□ GP13 – Customer Service

☑ GP6 – Innovation

☑ GP7 – Reliability & Resiliency

**SUMMARY**: A resolution approving TPU's 2025 Federal Legislative Agenda.

**BACKGROUND**: TPU's legislative agenda includes several proactive policy objectives aligned with TPU's legislative interests. Staff plans to advocate for these objectives at the federal level. The staff-recommended agenda addresses a wide range of positions, including support for tax exempt financing, customer assistance funding, infrastructure funding, and additional key items. As shared in the February 11 Joint Study Session, these represent priority or expected policy objectives for staff, though they are not the only items TPU will address at the federal level.

Following PUB approval, TPU's federal legislative agenda will be presented to the Mayor and City Council for approval as part of the City's Legislative Agenda.

#### ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF THE EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW IT IS TO BE COVERED.

IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR? No

#### ATTACHMENTS:

Tacoma Public Utilities 2025 Federal Legislative Agenda

#### CONTACT:

Primary Contact: Lauren Adler, Federal Relations Manager, 253-260-0440

Supervisor's Name: LaTasha Wortham, Deputy Director for Customer Experience and External Affairs



## 2025 Proposed TPU Federal Legislative Priorities and Policies

## **Proposed Federal Legislative Priorities**

## 1. Agency Wide

- a. Infrastructure Financing Tools: Maintain legislation that promotes the availability of tax-exempt municipal bonds, including legislation that restores the tax-exempt status of advance refund bonds.
- b. **Limited Income Programs**: Support policies and additional funding for programs that help limited-income customers.
- c. Supply Chain Solutions: Support policies that adequately address supply chain issues that affect customers and utility operations.

#### 2. Tacoma Power

- a. **BPA's Competitiveness:** Continue to support federal proposals to maintain and improve BPA's cost competitiveness.
- b. Carbon Reduction: Actively engage in and seek to support proposals that decarbonize the economy at reasonable costs. Support policies that recognize hydropower as a carbon-free generating resource.
- c. **Zero Emission Transportation Infrastructure:** Support additional funding for zero emission transportation infrastructure.
- d. Maintain Pole Attachment Authority: Support legislation that ensures municipally owned utilities main their historic authority to safely manage attachments on utility poles.
- e. Update Re-Licensing Policies: Support streamlining the Federal Energy Regulatory Commission's hydropower relicensing efforts and policies.

#### 3. Tacoma Water

- a. Howard Hanson Dam: Support and protect federal funding, and action to complete the Dam and additional water storage project while ensuring current cost-sharing agreements are honored. The Howard Hanson Dam fish passage and the additional water storage project are critical to salmon and orca recovery as a construction ready project with broad impact.
- b. Water Infrastructure Finance and Innovation Act (WIFIA): Support appropriations to fully fund the legislation.
- c. Drinking Water State Fund: Support adequate appropriations to support the fund.
- d. **PFAS Liability:** Support legislation that exempts drinking water systems from the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) as it relates to PFAS liability.

#### 4. Tacoma Rail

a. **Infrastructure Funding:** Pursue funding opportunities for investments in locomotive modernization, track upgrades, decarbonization projects, and other improvements.



## **Proposed Federal Legislative Policies**

### General Comprehensive Policies

- TPU supports prioritization of equity and anti-racist transformation in policymaking.
- TPU supports consistency between federal, state, and regional policies affecting utilities.
- TPU supports economically sound policies that encourage and reward energy and water conservation that enhance efficiencies in utility delivery and use.
- TPU supports programs that assist limited-income customers.
- TPU supports policies for protection of the natural environment, including stream protection, that supports public stewardship of fishery resources and wildlife habitat.

#### General Federal Policies

- TPU supports policies that maintain and protect tax-exempt financing for publicly owned utilities.
- TPU supports federal cybersecurity policies that complement utility actions to prevent cyberattacks.

#### Tacoma Power Federal Policies

- TPU supports retention of primary authority for energy reliability with the North American Electric Reliability Corporation (NERC).
- TPU supports efficiencies and streamlining of Federal Energy Regulatory Commission (FERC) hydropower licensing and relicensing policies.
- TPU supports reasonable regulation of trading markets, under the Dodd-Frank Act, and accommodations for utilities by the Commodity Futures Trading Commission (CFTC).
- TPU supports regional power markets that provide additional services and value to our customers.
- TPU supports modifications to, or related to, the Columbia River Treaty that would equitably distribute the power benefits gained from the Treaty between the United States and Canada.
- TPU supports policies that appropriately acknowledge and credit on-going ratepayer investments in emission free hydropower generating resources.
- TPU supports federal transmission policies that ensure reliable service and reasonable cost allocation for our customers.
- TPU supports federal actions increasing the parity of hydropower with other renewables, including tax credits to improve environmental and dam safety investments.



#### Tacoma Water Federal Policies

- TPU supports adequate funding for the Water Infrastructure Finance and Innovation Act (WIFIA).
- TPU supports adequate funding for the Drinking Water State Revolving Fund (DWSRF).
- TPU supports maintenance, enforcement, and funding of federal commitments related to the Howard Hanson Dam and downstream fish passage.
- TPU supports legislation and adequate funding that exempts drinking water systems from the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) as it relates to PFAS liability. TPU also supports the Polluters Pay principle which targets polluters and provides a liability protections for water utilities that are impacted by PFAS.

### Tacoma Rail Federal Policies

• TPU supports retention and expansion of federal policies that would lead to infrastructure maintenance and construction, such as inclusion of funding programs for short-line rail infrastructure in the Federal Surface Transportation Re-Authorization Act, the tax code (45G), or in stand-alone legislation.

#### **Questions?**

Lauren Adler Federal Relations Manager (253) 260-0440 cell ladler@cityoftacoma.org



# Agenda



- Overview
  - Guiding Principle 10
- Proposed Federal Agenda
- General Considerations
- Next Steps
- Questions

## **Proposed Federal Agenda**



### **Utility Wide Priorities**

#### Infrastructure Financing Tools

Maintain legislation that supports the availability of tax-exempt municipal bonds including legislation that restores tax-exempt status of advance refunding bonds

#### Limited Income Programs

Support policies and additional funding for programs that help limited-income customers

#### Supply Chain Solutions

Support policies that adequately address supply chain challenges that affect utility operations and customers

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## **Proposed Power Priorities**



#### **Tacoma Power Priorities**

#### BPA's Competitiveness

Continue to support federal proposals to maintain and improve BPA's cost competitiveness.

#### Carbon Reduction Policies

Actively engage in and support proposals that decarbonize the economy at reasonable costs to customers. Ensure policies recognize hydropower as a carbon-free generating resource.

#### · Zero Emission Transportation Infrastructure

Support additional funding for zero emission transportation infrastructure.

#### Maintain Pole Attachment Authority

Support legislation which ensures that municipally owned utilities maintain their historic authority to safely manage attachments on utility poles.

#### Refine and Update Re-Licensing Policies

Support streamlining the Federal Energy Regulatory Commission's hydropower relicensing policies.

## **Proposed Water Priorities**



#### **Tacoma Water Priorities**

· Howard Hanson Dam

Support federal approval, funding, and actions to complete the Dam and the additional storage project while ensuring existing cost-share agreements are upheld.

- Water Infrastructure Finance and Innovation Act (WIFIA)
   Support appropriations to fully fund the legislation.
- Drinking Water State Revolving Fund Support adequate appropriations for the fund.
- PFAS Liability
  Support legislation that exempts drinking water systems from CERCLA liability related to PFAS.

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# **Proposed Power Priorities**



#### **Rail Priorities**

Infrastructure Funding

Pursue funding opportunities for investments in locomotive modernization, track upgrades, decarbonization projects, and other improvements.

## **General Considerations**



### **New Administration**

· Executive Orders

## **Control of Congress**

· Republican majority - small margins

### Budget

- FY25
- FY26

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## **Next Steps**



Public Utility Board vote on proposed TPU Federal Legislative Agenda

• February 26, 2025

Tacoma City Council vote on proposed Citywide Legislative Agenda

March 4, 2025

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# **Questions?**



## Contact:

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