



WASHINGTON UPDATE 2024 NEPPA ANNUAL CONFERENCE

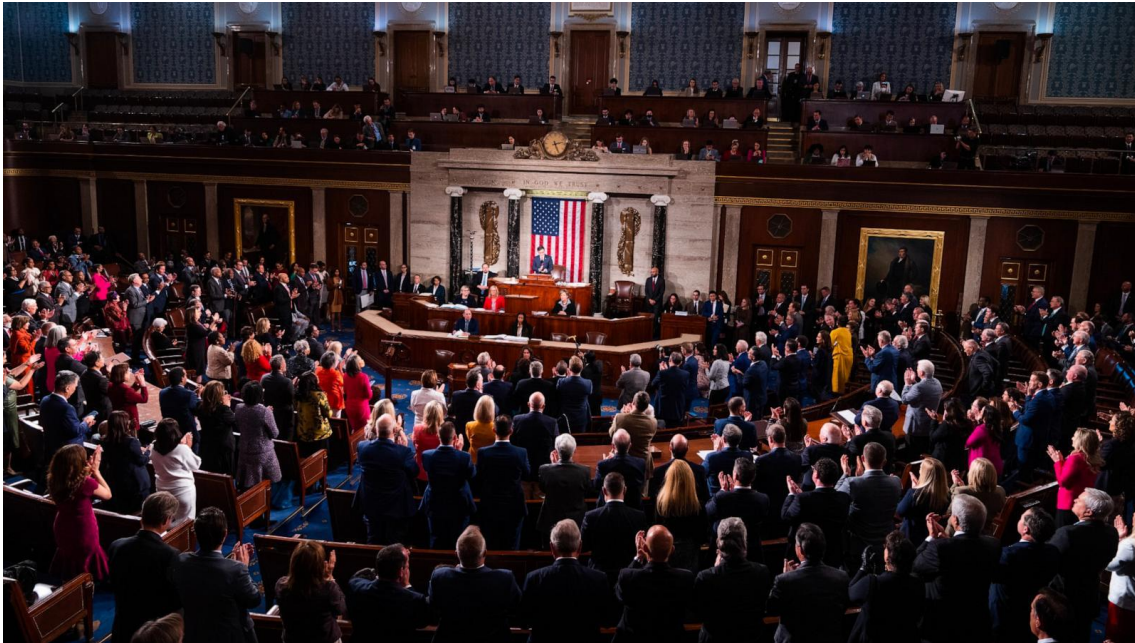


OVERVIEW

- Review of 118th Congress
- Federal Regulatory Actions
- November Elections
- Preview of 119th Congress



REVIEW OF THE 118TH CONGRESS



First Session

- Rocky start with multiple Speaker battles
- Debt limit deal
- Narrow margins only allow for must-pass legislation

Second Session

- Presidential elections loom
- Race to finish regulations
- CRA resolutions

118TH CONGRESS: ENERGY POLICY



Permitting reform



FERC Commissioners



Nuclear energy law



CRA resolutions overturning Administration energy and climate policies



BIL and IRA oversight hearings



DOE TRANSFORMER RULE



- DOE published final distribution energy efficiency standards April 4
- Final rule walks back several aspects of the proposed rule: Only about 25 percent of transformers on the market will need to use amorphous steel cores
- For short-term challenges, DPA funding is still needed to address domestic manufacturing

EPA POWER PLANT RULE



- EPA released a series of GHG rules on Apr. 25
- Requires existing coal-fired power plants and new natural gas plants to adopt carbon capture technology by 2032 to reduce emissions by 90 percent – those that do not adopt the technology (or find a comparable means of reduction) must retire by 2039
- Removed existing natural gas plant to a separate docket
- CRA resolution introduced in both House and Senate to overturn the rule

BIL AND IRA IMPLEMENTATION



“Hurry-Up and Wait” approach to grant applications



Grant programs oversubscribed



Congressional oversight hearings



Future of grants/process depends on elections



IRA ENERGY TAX CREDIT GUIDANCE

Busy year for Treasury and IRS!

- Pre-filing registration portal opened
- Final Elective Pay Guidance
- Final Apprenticeship and Prevailing Wage requirements Guidance
- Proposed Guidance published for claiming tech-neutral credits starting in 2025
- Still waiting: Guidance on domestic content requirements for elective pay tax credits



Department of the Treasury
Internal Revenue Service

CISA CYBERSECURITY CIRCIA NPRM

Cyber Incident Reporting
for Critical Infrastructure
Act of 2022 (CIRCIA)

NOTICE OF PROPOSED RULEMAKING (NPRM)



cisa.gov/circia

- CISA is developing rules to implement mandatory cyber incident and ransomware reporting requirements
- CIRCIA requires cyber incidents to be reported within 72 hours and ransomware payments within 24 hours
- Final rules expected in Fall 2025

FERC TRANSMISSION PLANNING AND COST ALLOCATION

- On May 13, FERC voted 2-1 to adopt Order 1920, finalizing its long-awaited transmission planning and cost allocation rule
- Does not include provisions giving investor-owned and public power utilities the right of first refusal (ROFR) for jointly owned transmission projects
- Order 1920 is expected to face legal challenges, and has already seen mixed reactions from lawmakers, power providers, and clean energy advocates



FERC: NEW COMMISSIONERS



In June, the Senate confirmed President Biden's three nominees:

- David Rosner: term runs through June 30, 2027
- Lindsay See: term runs through June 30, 2028
- Judy Chang: term runs through June 30, 2029

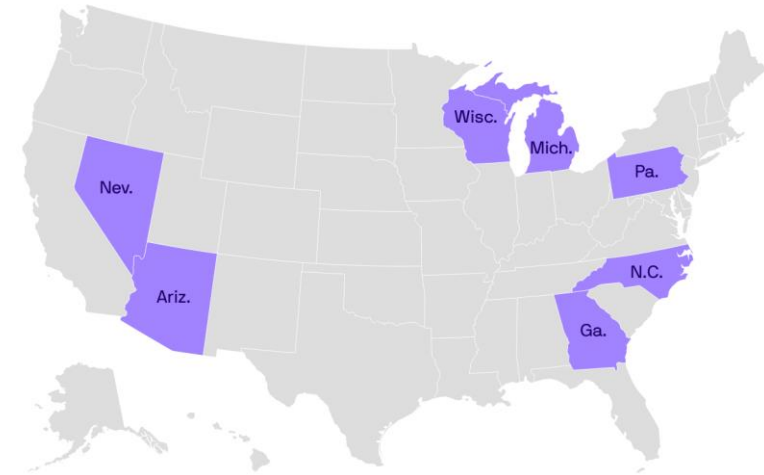
FERC now has a complete Commission with Chair Willie Phillips leading the Commission with a 3-2 split favoring Democrats



**NOVEMBER
ELECTIONS**



Swing states that are expected to decide the 2024 presidential election



2024 PRESIDENTIAL ELECTION

- Harris (D) vs. Trump (R) presidential election
- Race will be close and will depend on 7 swing states



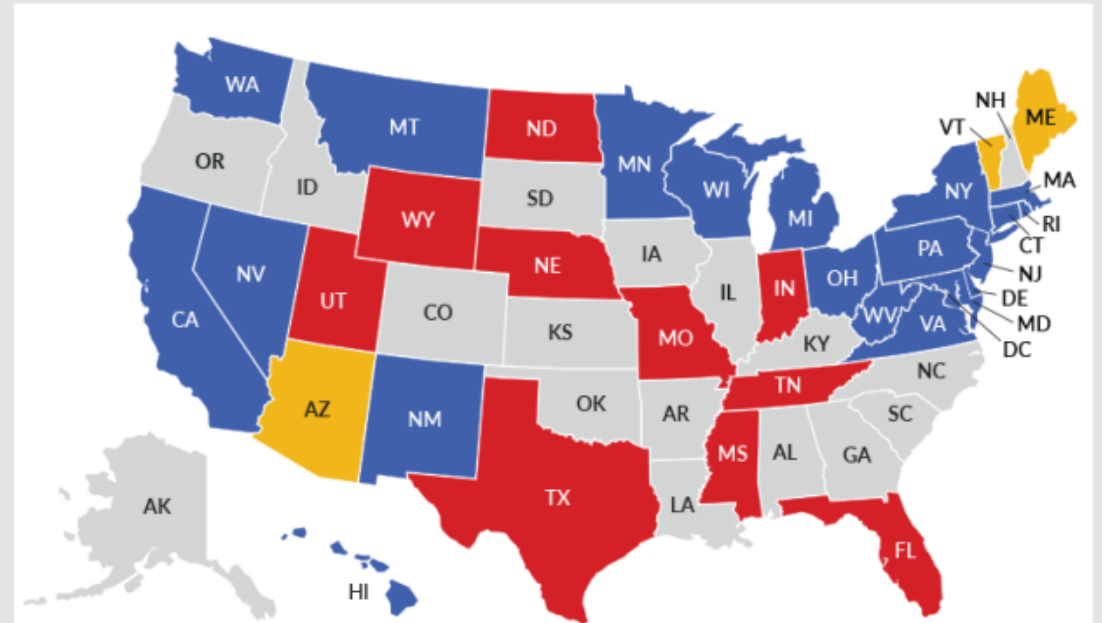
2024 ELECTIONS: CONGRESSIONAL RACES

- All 435 House seats and 34 of 100 Senate seats are up for election
 - ❖ King, Murphy, Warren, Whitehouse, Sanders
 - ❖ At least 45 House members and 7 Senators are not seeking reelection
 - ❖ Senate map favors GOP

Currently...

- The House has a 220-212 Republican majority
- The Senate has a 51-49 Democratic majority

U.S. Senate: 34 of 100 seats



States with a seat up for election are color-coded based on the current incumbent. States that are gray have no seat up for election.

■ Republican ■ Democrat ■ Independent

LOOKING AHEAD: LAME DUCK SESSION



- Must pass legislation: FY25 Spending & NDAA
- Farm Bill?
- Broader Permitting reform deal?
- Tax Extenders?

WHAT TO EXPECT: 119TH CONGRESS

- Change in party= reorganization of federal government
- Divided government?
- Energy policy: permitting reform, transmission, growing energy demand from AI
- 2025 tax package



The background of the slide features a series of high-voltage power transmission towers, also known as pylons, silhouetted against a dramatic sunset sky. The sun is low on the horizon, creating a warm glow of orange and yellow light that filters through the clouds. The towers are arranged in a receding line, creating a sense of depth. The overall mood is industrial yet serene.

QUESTIONS?

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