

POLICY UPDATES:

- *CLIMATE AND EQUITABLE JOBS ACT (CEJA)*
- *INFRASTRUCTURE INVESTMENT & JOBS ACT (IIJA)*

METROPOLITAN MAYORS
CAUCUS
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Mark Pruitt
THE POWER BUREAU, LLC



INTRODUCTIONS & OVERVIEW

Introductions & Overview	<ul style="list-style-type: none">▪ Mark Pruitt▪ Edith Makra
Climate & Equitable Jobs Act (CEJA)	<ul style="list-style-type: none">▪ Key Programs▪ Options for Municipalities▪ Moving Forward
Infrastructure Investment & Jobs Act	<ul style="list-style-type: none">▪ Background▪ Options for Municipalities▪ Moving Forward
Discussion	<ul style="list-style-type: none">▪ Open

CLIMATE & EQUITABLE JOBS ACT (CEJA)

KEY PROGRAMS

- 900+ page bill
- Multiple programs to be overseen by multiple state agencies
 - Green headings indicate highest potential benefits for municipalities
 - Blue text indicates the policy objectives in the legislation
 - Bold, underlined and italicized are areas of potential interest for municipalities

JUST TRANSITION/EQUITY

SUPPORT COMMUNITIES AND INDIVIDUALS DISPLACED OR UNDERSERVED DURING THE ENERGY TRANSITION

- Job training and business start-up support
- Financial support for communities losing local power plants and coal mines.
- **Support for local governments to create sustainability plans**

ENERGY EFFICIENCY

INCREASE DEPLOYMENT OF EFFICIENT TECHNOLOGIES

- Extension of current utility EE programs to 2040
- Increase utility EE programs finding by 10%
- Consumers with >10MW demand are now back in the EE programs plus self-direct
- **Local governments can adopt more aggressive EE standards**

ELECTRIC VEHICLES

INCREASE DEPLOYMENT OF EFFICIENT TECHNOLOGIES

- **Incentives to support 1 million EV's in Illinois**
- EV expansion planning
- **EV charging station grants**
- IDOT study on impact of loss of road tax payments due to EV adoption

RENEWABLES

RAPIDLY EXPAND DEPLOYMENT OF RENEWABLES/STORAGE

- 50% RPS by 2040; 100% clean energy 2050
- **Increase annual RPS funding**
- Carve outs for low income, schools, and others
- Working group to solve interconnection issues
- Large consumers can self-direct their RPS funds to directly purchase renewables
- **More value and increased volume of community solar**

ETHICS

ENSURE TRANSPARENCY IN UTILITY POLICYMAKING

- Economic disclosures by policymakers and IPA
- Ethics reporting requirements for utilities.
- Investigation of ComEd
- Accelerated rebating of tax benefits by utilities

UTILITY RATES

ADEQUATELY PLAN/SUPPORT UTILITY INVESTMENTS

- Performance based rates
- New approach to distribution system planning

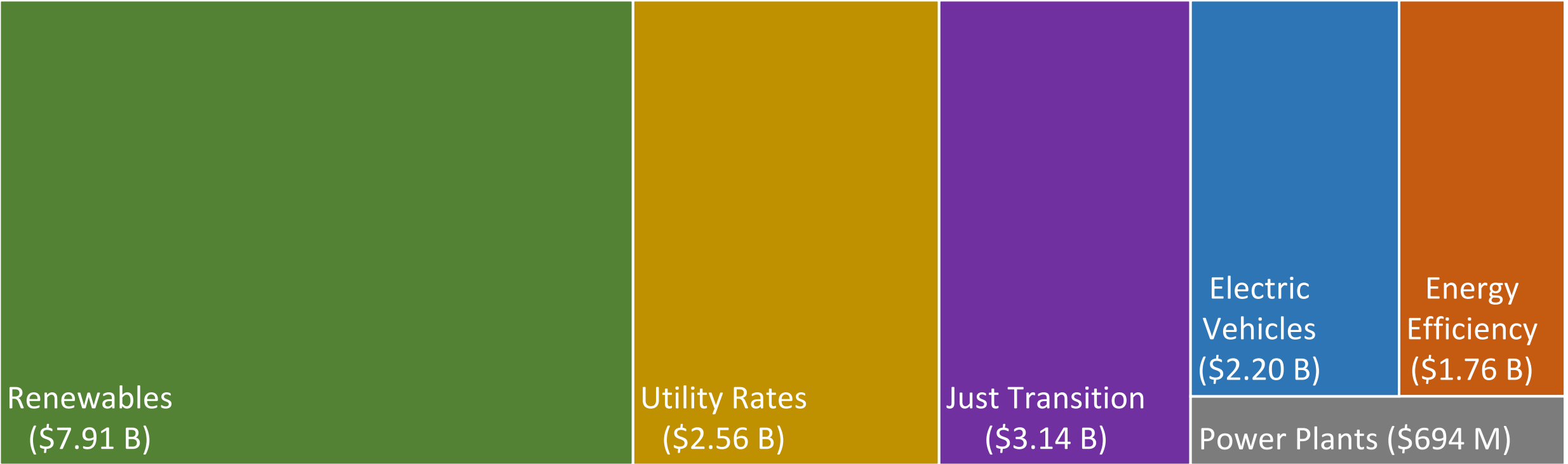
POWER PLANTS

DECARBINIZED POWER SECTOR IN ILLINOIS

- Phase out of oil, natural gas, and coal generation by 2045
- \$770 million in new subsidies for nuclear plants
- Coal to Solar program for existing coal plants

KEY PROGRAMS: INCREMENTAL PROGRAM FUNDING (10-year)

Incremental Funding Increases through CEJA
(10-year projection)



2022/23: \$48-60/Year/Average Single-Family Residential Account
2031/32: \$170-185/Year/Average Single Family Residential Account

OPTIONS FOR MUNICIPALITIES

MEASURE	DESCRIPTION
RENEWABLES	
Renewable Energy Credits	<u>REC budget increases from \$230 million/year to \$580 million/year.</u> More focus on small solar and behind the meter projects. REC contracts cover ~ 50% of solar project costs.
Battery Storage Grant	Utility grant for battery storage on distributed solar. <u>Incentive covers ~ 50% of battery costs.</u>
Smart Inverter Grant	Utility grant for smart inverters on distributed solar. <u>Incentive covers ~ 25% of battery costs.</u>
Community Solar	More community solar projects, increased on-bill credits for consumers, special incentives for projects that are closer to consumers, <u>and have local partners (e.g., local government)</u>
Self-Direct Renewables	Consumers with <u>aggregated load > 10,000 kW can meet their own RPS obligations</u> by purchasing from an Illinois-based renewable asset and receive a rebate on their RPS charges
ELECTRIC VEHICLES	
EV Grants	State goal of <u>1 million new electric vehicles in the state.</u> Grant of up to \$4,000/EV (1 st year, declines thereafter). 1 grant per purchasing entity.
EV Infrastructure Grants	Rebates for up to <u>80% of the cost of charging stations.</u>

OPTIONS FOR MUNICIPALITIES

MEASURE	DESCRIPTION
JUST TRANSITION	
Jobs Training	Establishes a wide array of programs to <u>recruit, prescreen, and provide pre-apprenticeship training</u> to equity focused populations to support entry into the clean energy workforce.
Small Business Support	Creates several clean <u>energy contractor support programs</u> to provide access to low-cost capital and financial support for small clean energy businesses and contractors.
Community Transition	Broad range of programs to <u>assist communities</u> that have hosted fossil-fuel power plants and coal mining operations as those resources retire
Sustainability Planning	Provides financial support for individual communities or groups of communities to undertake <u>comprehensive sustainability planning</u>
ENERGY EFFICIENCY	
Increased EE Program Budgets	<u>10% increase in electric utility energy efficiency programs.</u> Allows efficiency funds to be used to address life-safety issues in low-income households.
Extended EE Programs	Energy efficiency programs extended for another 10 years (<u>through 2040</u>).

MOVING FORWARD

CEJA Element	Implications	Municipal Checklist
Renewables <ul style="list-style-type: none"> - Increase funding - New goals 	<ul style="list-style-type: none"> - Renewable/storage projects at municipal facilities - More private renewable projects - More community solar options for residents and municipal facilities 	<ul style="list-style-type: none"> - Evaluate options for municipal participation - Replace Franchise Consideration (free service) with Infrastructure Fee (utility cash payment) - Streamline solar permitting processes - Create battery storage permitting process - Update municipal aggregation programs to allow community solar subscriptions (CS2 Program) - Update CO2 accounting protocols
Energy Efficiency <ul style="list-style-type: none"> - Increased funding - Program extensions 	<ul style="list-style-type: none"> - Efficiency projects at municipal facilities - More private sector efficiency projects - More pressure for utilities to “get the money out the door” 	<ul style="list-style-type: none"> - Evaluate options for municipal participation - Replace Franchise Consideration (free service) with Infrastructure Fee (utility cash payment) - Evaluate ‘Stretch’ Building Code options - Propose new programs for utilities - Support outreach to increase resident participation

MOVING FORWARD

CEJA Element	Implications	Municipal Checklist
Just Transition <ul style="list-style-type: none"> - New funding - New programs 	<ul style="list-style-type: none"> - Local partnerships are prioritized for Job training and new business support for residents interested in sustainability sector - Financial support for local or regional (e.g., multiple municipalities) sustainability planning 	<ul style="list-style-type: none"> - Consider level of participation and support for Workforce Training Hubs and other programs - Consider individual or group approach to Sustainability Planning grant application
Electric Vehicles <ul style="list-style-type: none"> - New funding - New programs 	<ul style="list-style-type: none"> - EVs and EV infrastructure for municipal fleets - Increased demand for public charging stations - More private EV charging 	<ul style="list-style-type: none"> - Evaluate options for municipal participation - Streamline private charging permitting processes - Evaluate and plan public charging infrastructure - Update CO2 accounting protocols

INFRASTRUCTURE INVESTMENT & JOBS ACT (IIJA)

KEY PROGRAMS

- IJA signed on 11/15/2021.
- Total cost of approximately \$1.2 trillion over 5 years
- Provides an incremental \$550 billion over baseline funding levels for transportation, water, power, resiliency, broadband, and pollution management.

TRANSPORTATION

- Reauthorized and expanded funding for Highways, Roads, and Bridges
- Permit Streamlining
- Climate
- Rail
- Public Transit
- Airports
- Ports

DRINKING & WASTEWATER

- Water and wastewater infrastructure projects
- Water contaminants

ENVIRONMENTAL REMEDIATION

- Brownfield remediation

RESILIENCY

- Wildfire resilient power transmission
- Wildfire mitigation and prevention
- Flood mitigation
- Critical infrastructure improvements

POWER/ENERGY

- Grid resiliency
- Weatherization assistance
- Smart Cities/Smart Grid
- Low carbon alternatives for transportation
- Battery development
- Energy Efficiency Conservation Blocks
- Hydroelectric facility improvements

WESTERN WATER STORAGE

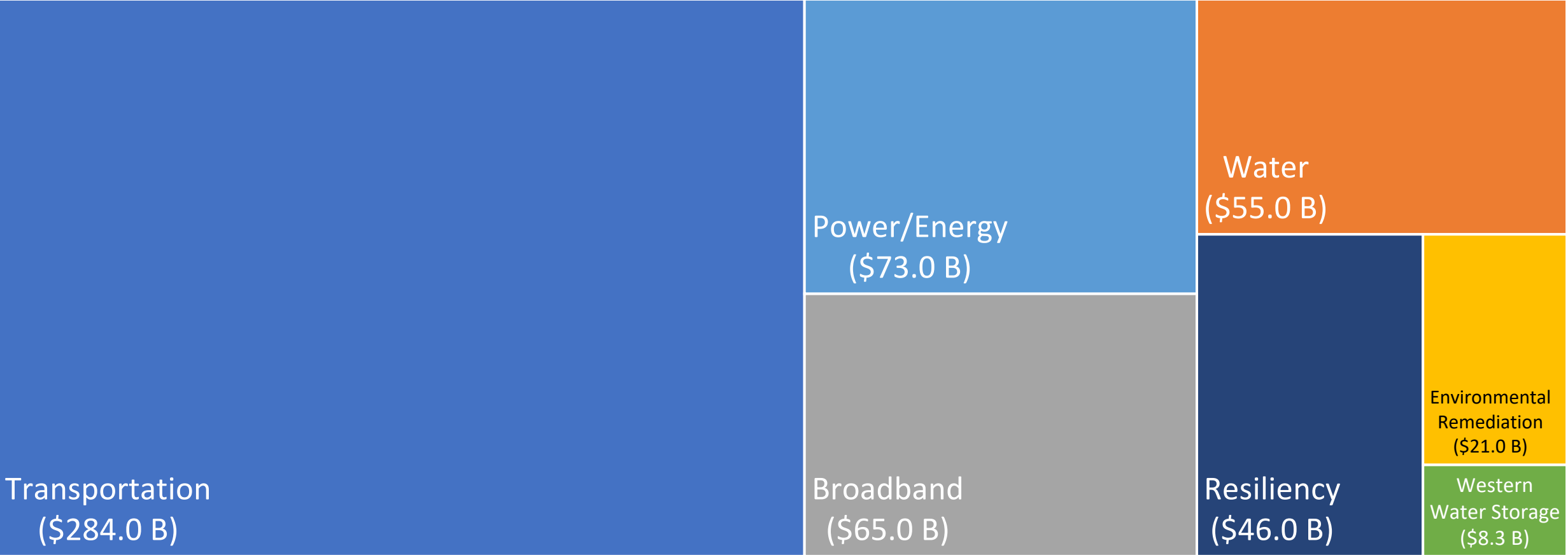
- Wildfire risk mitigation
- Western Water infrastructure
- Forest service road and trails improvements

BROADBAND

- Broadband deployment
- “Middle Mile” broadband system expansion
- Improved cybersecurity

KEY PROGRAMS: INCREMENTAL PROGRAM COSTS (5-YEAR)

Incremental Funding Increases through IIJA
(5-year projection)



OPTIONS FOR MUNICIPALITIES: ENERGY & ENVIRONMENT

MEASURE	BUDGET (5-YEAR)	DESCRIPTION
Weatherization Program	\$3.5 B	Funds will remain available until expended for <u>eligible projects that reduce energy costs for low-income households</u> by improving energy efficiency.
Strengthening Mobility and Revolutionizing Transportation (SMART) grant program	\$3.5 B	Strengthening Mobility and Revolutionizing Transportation (SMART) Grant Program for smart-city projects ranging from <u>autonomous and connected vehicles infrastructure, smart traffic sensors, smart grids, and commerce delivery and logistics.</u>
Carbon Dioxide Transportation Infrastructure Finance and Innovation (CIFIA) Program	\$2.1 B	Funds to utilize <u>transportation alternatives</u> like <u>low-pollutant emission vehicles, mass transit and carpools to help decrease carbon dioxide emission.</u>
Battery Processing Grants	\$3 B	Demonstration, construction or renovation projects for <u>advanced battery component manufacturing and recycling.</u>
Energy Efficiency & Conservation Block Grant Program	\$550 M	Programs <u>for financing energy efficiency, renewable energy, and zero-emission transportation capital investments</u> allowing rebates, grants or other incentives for the purchase and installation of renewable energy technologies.
Brownfields Restoration Projects	\$1.2 B	<u>Funds for Brownfields projects</u> authorized under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).
Hydroelectric Grant Program	\$628.6 M	Grants to public and private sector owners of <u>hydroelectric resources to improve efficiency and support capital improvements.</u>

OPTIONS FOR MUNICIPALITIES: DRINKING & WASTEWATER

MEASURE	BUDGET (5-YEAR)	DESCRIPTION
Clean Water State Revolving Fund (CWSRF)	\$29.3 B	Grants to counties and other local governments to <u>address lead in drinking water</u> by replacing service lines and carrying out associated activities that are directly connected to identifying, planning, designing, and replacing lead service lines.
Emerging Contaminants	\$1 B	Funding to address <u>emerging contaminants</u> will be deposited into the state revolving fund and would be provided to <u>eligible recipients as loans with 100 percent forgiveness or as grants</u>
PFA Programs	\$4 B	Additional funding is provided to further address emerging contaminants in drinking water, with a focus on <u>perfluoroalkyl and polyfluoroalkyl substances (PFAS)</u> . This funding will be provided to <u>eligible recipients as loans with 100 percent forgiveness or as loans.</u>

OPTIONS FOR MUNICIPALITIES: RESILIENCE

MEASURE	BUDGET (5-YEAR)	DESCRIPTION
Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act	\$500 M	Funding to state and local governments with the ability to <u>create resilience revolving loan funds for infrastructure projects.</u>
Building Resilient Infrastructure and Communities (BRIC) Program	\$1 B	Funding to states and local governments to strengthen the <u>resilience of critical infrastructure, such as transportation, energy, water supply and communications.</u>
Flood Mitigation Assistance Grants	\$3.5 B	Competitive grant program provides funding to state and local governments for projects that reduce or <u>eliminate the risk of repetitive flood damage</u> to buildings insured by the National Flood Insurance Program.

MOVING FORWARD

MMC has created a digest of CEJA that describes and links each key element to the reference pages within the bill – [AVAILABLE UPON REQUEST](#)

“JUSTICE 40” Initiative Executive Order

- January 2021
- 40% of overall benefits from federal investment in climate and clean energy are to be realized by disadvantaged communities.
- Create good-paying union jobs and an equitable clean energy future
- Building modern and sustainable infrastructure
- Restore scientific integrity and evidence-based policymaking across the federal government
- Re-establishing the President’s Council of Advisors on Science and technology
- Preceded IIJA, but is applicable to IIJA programming
- [The Path to Achieving Justice40](#)

Capture Additional Information from Informed Sources (links are live)

- [American Gas Association \(AGA\)](#)
- [American Public Power Association \(APPA\)](#)
- [American Public Transportation Association \(APTA\)](#)
- [American Public Works Association \(APWA\)](#)
- [American Water Works Association \(AWWA\)](#)
- [Fiber Broadband Association \(FBA\)](#)
- [International City/County Management Association \(ICMA\)](#)
- [National Association of Counties \(NACO\)](#)
- [National Association of Regional Councils \(NARC\)](#)
- [Water Environment Federation \(WEF\)](#)
- [US Department of Transportation](#)
- [US Environmental Protection Agency.](#)

FOR MORE INFORMATION,
PLEASE CONTACT US

The Power Bureau, LLC

Mark Pruitt

219/921-3828

markjpruitt@thepowerbureau.com

