

Inside Washington

Marco Giamberardino SVP, Government and Public Affairs 2023 District 10

EMPOWERING LIVES & COMMUNITIES EMPOW ERING LIVES & COMMUNITIES EMPOWERING LIVES & COMMUNITIES EMPOWEDING LIVES &

A Decade of Delivering Value

Bipartisan Infrastructure Law

- \$1.2 Trillion Investment Package
- CHIPS and Science Act
 - \$52B for domestic manufacturing and building next ✓ generation of semi-conductor chips

Inflation Reduction Act

 \$360B in tax credits for clean energy construction; ✓ significant investments in commercial building efficiency, heat pumps, and energy efficiency

American Rescue Plan

- PPP Loan Program
- Financial assistance for troubled plans and ensure ✓ PBGC doesn't fail
- Limited premium increases

Apprenticeships

NECA CEO appointed to Apprenticeship Advisory
 Committee

Defeating Davis-Bacon and PLA repeal efforts

- EO requiring PLA on all federal projects >\$35M
- Defeated efforts to repeal DB and PLAs
- ✓ Pension Reform
 - PPA permanent, adds new tools, curbed premiums

✓ Tax Reform

• \$1.5 Trillion in relief for C and S-Corps, Estate Tax, AMT

529 OPTIONS Act

• Allows 529 savings plans to be used in registered apprenticeship programs

Three Percent Withholding Tax

• Successful repeal of Tax that would have been levied on every Federal, State and Local contract

✓ Health Care

Repealed 40 percent "Cadillac Tax"

Water Resources Development Act

• \$100B in new waterways, clean & wastewater projects

Highway Bill (FAST Act)

• \$305B in new highway & transit projects

Defeating Davis-Bacon and PLA repeal efforts

• Trillions of dollars in federal work at risk

Regulations

 \checkmark

 \checkmark

- Killed "Fair Pay" Rule, WOTUS; Weighed in on EPA rules, Sick Leave, EEO-1 forms, Silica, IRAPs and more
- Working EV, PLA, Davis-Bacon Rewrites NE

117th Congress: NECA Wins

There was a lot of activity during the 117th Congress impact the Line Construction Industry and NECA Government Affairs was able to secure major wins for our contractors throughout the country

Legislative:

- Infrastructure Investment and Jobs Act (IIJA): Energy/Grid Infrastructure: \$75 Billion
- Four Major Areas of Investment:
 - Upgrade our power infrastructure; building thousands of miles of new, resilient transmission lines
 - Clean Energy Demonstration Projects
 - Energy Efficiency and Weatherization Retrofits for Homes, Buildings, and Communities
 - Clean Energy Manufacturing and Workforce Development
- To Date:
 - DOE announced <u>\$2.3 billion in formula funding</u> to States, Tribal nations, and territories to strengthen and modernize America's power grid.
 - DOE launched the <u>\$10.5 billion Grid Resilience Innovation Programs (</u>GRIP) to enhance the resilience and reliability of the power grid.

117th Congress: NECA Wins

Legislative:

- CHIPS and Science Act
 - Secured prevailing wage requirements on \$52 billion of funding for semi-conductor plant construction.
- Inflation Reduction Act
 - \$369 billion of energy tax credits that are the first of its kind in tax law history.
 - NECA Government Affairs was able to defeat all tax increases on NECA contractors.

FY 2022 and 2023 Appropriations

- Additional funding to provide technical assistance to states for transmission planning to help create jobs, increase grid resilience, and expand access to affordable and abundant wind, solar, and other clean energy.
- Defeated Rep. Good (R-VA) amendment to strike Davis-Bacon requirements by a 264-165 vote.

117th Congress: NECA Wins

Regulatory:

- IRAP Repeal Executive Order
- Administration Executive Action to Spur Domestic Clean Energy Manufacturing
- DOL and DOJ MOU to Coordinate Enforcement of Federal Labor Laws and Combat Misclassification
- Updating Davis-Bacon and Related Acts- In Review
- Department of Labor Independent Contractor Rule In Review
- National Electric Vehicle Infrastructure Program In Review
- Project Labor Agreements EO Rulemaking In Review

Department of Energy and the Grid

COORDINATION

- DoE aims to connect with local transmission planning stakeholders, such as independent system
 operators, state regulatory agencies, and utility providers, to identify where new transmission lines are necessary to maintain
 grid reliability and cost-efficiency
 - DoE hopes to use these resources to "identify nationally significant transmission lines, validate transmission modeling approaches, and provide technical analysis" to stakeholders
- DoE is also planning to work with the Department of the Interior's Bureau of Ocean Energy Management and its stakeholders to resolve challenges associated with achieving the Biden administration's goal of 30GW of offshore wind production by 2030

PLANNING

- DoE hopes to identify where existing and future energy constraints and congestion exist and develop plans to create new or upgraded transmission facilities to relieve these pressures through a national transmission needs study
- The department also hopes to partner with the Departments of Transportation and Interior to identify and implement decarbonization strategies while maintaining reliability and benefits to customers
- Work to identify strategies and challenges associated with achieving the administration's offshore wind transmission goals
- Provide further technical assistance to stakeholders to aid in energy planning and alignment with public policy goals

GOVERNMENT AFFAIRS S COMMUNITIES E NÊC



Department of Energy and the Grid

FINANCING

- Implement a \$2.5 billion fund created by the IIJA to construct new, replacement, or upgraded high-capacity transmission lines
- Provide grants and awards from IIJA funded programs to upgrade transmission infrastructure to promote resiliency and energy improvement in rural areas
- Provide loans for large-scale energy projects which improve and expand the energy grid

PERMITTING

- The IIJA made the Federal Permitting Improvement Steering Council permanent, allowing DoE to coordinate and provide oversight of large infrastructure projects
- Create public-private partnerships for "the design, development, construction, operation, maintenance, and ownership of transmission facilities"
- Use FERC's authority to create an application process for route-specific National Corridors

RESEARCH & DEVELOPMENT

- DoE's FY22-23 budget aims to prioritize and support transmission technology development, energy storage, and high voltage direct current converter stations
- The department will improve and develop analytical tools to support transmission deployment, including the Energy Zones Mapping Tool and the Transmission Resilience Maturity Model







Welcome to the 118th Congress





2023 Priority Issues

- Permitting Reform
- Infrastructure Investment
 - Refine Tax Policy

Permitting Reform



 The National Environmental Policy Act is the most litigated environmental statute, according to the DOJ



The complexity of regulations can add time and cost burdens to projects resource, at times taking agencies 6 years to complete reviews adding on average \$4.2 million in costs to projects



Nuclear power projects take large amounts of time to get up and running with licenses issued by the Nuclear Regulatory Commission taking up to five years to ne issued with another 5 or more years to build

Central Tenets:





Reform And Streamline Permitting

Focused Environmental Reviews



Reduce Litigation

Permitting Reform

Federal permitting reform for energy, minerals, and infrastructure projects is imperative and would allow for projects to come online faster and provide much needed relief to NECA contractors performing this work

- Set clear deadlines, require simultaneous agency reviews, and effectively communicate to applicates of required materials for certification
- Codify key elements of the "One Federal Decision" framework
- Improve the Clean Water Act Section 401 certification process
- Shorten unnecessary litigation delays and judicial reviews
- Improve the siting process

GOVERNMENT AFFAIRS COMMUNITIES ENECT

Infrastructure Investment

Effective and robust investment in our nation's infrastructure is essential to advancing our nation's energy technology advancements and ensuring a sustainable robust economy

• Strengthen our energy grid infrastructure through grants, tax credits, and other investments into nuclear, hydroelectric, hydrogen, solar, wind and other emerging new green energy technologies

Refining our Nation's Tax Code

High Tax Rates and a complex tax system hinders our NECA contractor's ability in their competitive business. NECA contractors should invest their money into growing their company instead of complying with the tax code

- Pass-through deductions must be made permanent
- Repeal the estate tax so NECA contractors can pass on their legacy
- Repeal the Alternative Minimum Tax
- Make tax extenders permanent



NECAPAC: Your Political Action Committee

- The potential power of NECA's Government Affairs effort in achieving success on NECA's issues is enormous
- Our \$1.8 million PAC provides tremendous opportunities
- NECAPAC supports candidates and incumbents who support our positions
- NECA's PAC Strategy:
 - Focus and increase support to those who want to get things done; not posture and support unrealistic ideas



EMPOWERING

LIVES & COMMUNITIES

NECAPAC Overview

- Annually, NECAPAC raises around \$800,000 from personal donations from NECA Contractors.
- Each election cycle, we spend about \$1.8 million on candidate support and maintain a 90 percent win record
- On average we have over 120 PLC members and over 50 PLC chapters
- 80% of NECA chapters donate to NECAPAC from across the country

District 10 PLCs

Individual PLCs

- Stacy Wilson, Chair
- Duke Austin
- Jake Davie
- Ike Poe
- Walt Parkes
- Jody Shea
- Vanessa Tutos
- Mark Walter
- Don Wilson

Chapter PLCs

- American Line
- Northeastern Line
- Northwest Line
- Western Line

Get Engaged. Be Engaged.

Weekly Update

- Sign Up via NECA Network network.necanet.org
- Government Affairs Community

2023 NextGen Conference

- June 6-7, 2023
- Washington, DC

2023 Political Leadership Council Retreat

- October 27-29, 2023
- Terranea Resort on Rancho Palos Verdes, CA



