

Monthly Board Report – 8/16/24



Agribusiness and Water Council/NWRA

- Paul Orme Appointed President of FFA
- CBO Sticks w/ Farm Bill Estimates that Challenge Republican Estimates
- White House Launches Review of PFAS Wastewater Proposal
- SCOTUS Overturns Chevron Deference
- SCOTUS Could Curb NEPA Reviews Next Term
- CRA Introduced to Block USFWS Listing
- USDA's Economic Research Service Forecasts \$32B Ag Trade Deficit in 2024
- Governor's Water Council reviews "ag to urban" reform proposal
- Concern that Farm Bill Won't Pass in 2024, Possible Additional Extension
- House/Senate Pass WRDA Bills, Includes Hydropower in Section 121
- Maricopa County Farm Bureau Names Nichole Clements New Exec. Director
- Initial Agreement Reached with Canada on Columbia River Treaty
- CAIDD & MSID Receive Up to \$15M Each to Conserve Water
- Hydropower Industry (NHA & NWA) Sues Feds Over New ESA Rules

American Public Power Association

- APPA Approves Appointment of Travas Deal, Peter Dion to Serve on ESCC
- Eugene Water and Electric Board Utilizes Satellite-Based Forestry Analytics for Vegetation Management
- APPA Seeks Rehearing on Element of FERC Regional Transmission, Cost Allocation Order
- Rochester City Council (NY) Leaves Door Open for Public Utility Study
- RMI Report Aims to Help Utilities, Stakeholders Design and Implement VPP
- Memphis Light, Gas and Water Contractor to Inspect Transmission System Structures With Drones
- APPA Releases "*Public Power Pays Back Report*"
- APPA Files Regional Haze Comments w/ EPA

- House Committee Approves \$4.025 FY 2025 Appropriation for LIHEAP
- APPA Provides Summary of NEPA Phase 2 Rule Revisions
- APPA Provides Summary of S. 4753, Energy Permitting Reform Act of 2024
- FMPA Takes Ownership of Natural Gas Combined Cycle Plant

Arizona

- Kelly/Ciscomani Introduce Bills for NE Arizona Tribal Water Settlement
- Kelly Bill to Ratify & Fund Yavapai-Apache Nation Water Rights Settlement
- ADWR Director Expresses Support for Historic Tribal Water Settlements
- SRP Sets New Record for Delivering Energy to Customers
- Sinema's Bipartisan Legislation \$161.8M to Yuma's Military Installations
- Sinema Introduces Special Districts Access to Federal Funds Legislation
- Gosar Reintroduces the Public Lands Renewable Energy Act HR 8954
- Corps Extended Flood Storage Space at Roosevelt from 20 to 120 Days
- SRP & Plus Power Cut Ribbon for Two New Battery Storage Facilities
- SRP & EDP Renewables and Meta Unveil 200-MW Solar Park in Coolidge
- Ciscomani Preliminarily Secures \$8M for Water Projects in AZ-06
- UofA & ASU Both Ranked in Top 10% of World's Best Universities
- June 2024 Ties 2021 as Hottest June on Record in Arizona
- Light Up Navajo V Concludes With 170 Homes Connected

Bureau of Reclamation/Dept. of Interior

- Lower Basin Reservoirs 45% Full (July 21)
- 486,678 AC-FT Projected Conservation in 2025 + 330K AC-FT Minute 330
- Administration Announces Creation of Columbia River Task Force; Releases Report Saying Federal Hydropower Dams Harm Tribes
- Additional \$43M Going Towards Rural Water Projects
- Hoover Dam Looking for New Manager, Mark Cook Departs for New Post
- Roque Sanchez New Deputy Commissioner at BOR (Intergov)
- Senate ENR Votes for Deputy Interior nominee Shannon Estenoz
- Interagency Agreement Announced for Expand Detection of Wildfires
- DOI Invests \$105M into Water Conservation Projects

California

- CA Finalizes Plan To Meet Offshore Wind Goal Of 25 GW By 2045
- CMUA Releases **The All of the Above Clean Energy Solution Paper**
- DOE, Group Sign \$12.6 Billion Agreement Tied to California Hydrogen Hub
- EIA Reports CA Residents Increasingly Pairing Battery Storage with Solar
- SMUD Receives \$10M Grant for Long-Duration Battery Storage Project
- CA Considers Unique Safety Regulations For AI Companies to Protect Grid
- CA Advances First-In-Nation Plan To Set Water Budgets For Cities Statewide
- CA's Unexpected Energy Challenge, Too Much Solar Energy
- CA Aims For 7.6GW Of Offshore Wind By 2035
- Cost Share Agreement Executed for Calpine-SMUD Carbon Capture Project

Colorado River Energy Distributors Association

- BOR Began Cool Mix Water Releases at Glen Canyon Dam (July 9)
- Upper Basin Reservoirs (Including Powell) at 51% Full (July 21)
- S. 4576 Colorado River Basin System Conservation Extension Act Introduced
- 7.48 MAF Most Probable Release in 2025
- West in Line for Strong "La Nina" Year
- Pseudo Tie (aka Glen Canyon Allocator) Operating Costs to be Included in SLC/IP FES Rate (Up to 159 MW to WALC BA)
- GCD AMP & Fish Recovery Programs Included in Appropriations Bill
- Zebra Mussels Detected in Colorado River
- CREDA Sends BLM ROW Letter Regarding WAPA North-South Intertie
- Interior Opens up to \$450M for Colorado River Ecosystem Projects

Department of Energy

- GDO Invests \$4.6M to Investigate Extreme Weather Effects & Grid Impacts
- Lawrence Berkley National Laboratory Develops Reconductoring Economic and Financial Analysis Tool – Cost Benefit Analysis for Upgrading Lines
- DOE Releases New Supply-Chain Cybersecurity Principles

- \$371M Invested in 20 Projects to Accelerate Transmission Permitting
- DOE Proposes AI to Accelerate Energy Research, Senate Bill Would Provide \$2.4B Annually for 17 National Labs to Build Integrated AI System
- DOE Funds Second Hydrogen Hub in PNW Funding \$27.5M
- NREL Publishes Report to Help Advance Regional Offshore Wind Transmission Planning Work in the Gulf of Mexico
- Administration Invests \$371M in 20 Projects to Accelerate Transmission Permitting Across America
- Administration Invests \$2.2B in the Nation's Grid to Protect Against Extreme Weather, Lower Costs, and Prepare for Growing Demand
- DOE Greenlights 2nd State to Disburse Climate Law's Energy Rebates

Environmental Protection Agency

- SCOTUS Overturns 40 Years of Chevron Deference in Recent Decision
- SCOTUS Temporarily Stays Ozone National Ambient Air Quality Standards (Good Neighbor) Implementation Plan
- Energy Sector Braces For Supreme Court NEPA Case Next Term
- EPA Releases Fifth Edition of its Climate Change Report
- GHG Rule Litigation Stay Motion Denied

Federal Energy Regulatory Commission/NERC/NRC

- FERC Approves Extreme Cold Weather Reliability Standard
- FERC Approves NERC Proposal for Registering IBR that Impact the Grid
- NERC Flags High Generator Outage Trends, Ongoing Inverter Ride-Through Challenges
- ISO-NE, NEPOOL, Transmission Owners File Interconnection Process Changes with FERC
- NERC Issues Alert Tied to Inverter-Based Resources
- FERC prevails in NEPA gas lawsuit - Tennessee Gas Pipeline Co. Project
- FERC Appears Before E&C, IEDA Provided Questions for Rep. Lesko
- E&C Sends FERC Letter Regarding AI/Data Center Load Demand

- FERC Back to Full Strength w/ Judy Chang's Confirmation
- FERC Approves Dynamic Line Rating Framework
- Despite Cooling Inflation, Feds Not Looking to Cut Rates Yet

Financial Focus

- New CBO Report Projects \$56T+ National Debt in 10 Years
- Treasury Releases Final Wage and Apprenticeship Requirements for Energy Tax Credits
- EIA Details How Utilities are Increasingly Using Energy Storage for Arbitrage
- Treasury - Domestic Content Guidance Applies to Elective Pay Tax Credits
- 688K Sq-Ft Business Park to Locate Next to Buc-ee's in Goodyear
- AZ Awarded Fourth Golden Shovel Award for Development
- Arizona's Unemployment Rate Dipped to a Record-Low of 3.4% in May
- Phoenix Ranks #1 in Industrial Development Activity
- AZ Ranks #2 in Nation for Infrastructure & #5 for Economy
- Wyden Vows to Protect Tax-Exempt Financing in 2025 Tax Debate
- Virgin Galactic Completed Spaceship Manufacturing Facility in Mesa
- Maricopa County Selected #1 in Nation for Economic Development
- AZ Ranked #1 in the Nation for Semiconductors
- \$102B Invested in Semiconductors in AZ Since CHIPS & Science Act of 2022
- \$20 Billion Data Center Campus gets Green Light in Buckeye
- Federal Reserve Getting Closer To Cutting Interest, as Early as September
- Governor Announced that AZ's \$993M Broadband Plan has been approved

Industry Update

- EIA has Identified 137 Cryptocurrency Mining Facilities in the US
 - Capacity of 101 Facilities is 10,275 MW (2.3% Total US Demand)
 - TX (28.5%), GA (9.6%) & NY (8.8%) Make Up Majority of Sites
- Utilities Look to Develop Gas Plant Projects at Coal Plant Sites
- Google Seeks Approval to Supply Nevada Data Centers w/ NV Energy
- Avangrid Launches AI Pilot Aimed at Enhancing Customer Service

- energyRe Submits Offshore Wind Transmission Proposals to Supply NYC
- Extreme Heat Is Turning Electricity Cutoffs Into New Political Battle For Power Companies
- Wildfire Threats Make Utilities Uninsurable In US West
- Extreme Wildfires Doubled In Frequency, Magnitude Since 2003
- One in Five Public EV Chargers In The US Don't Work, Study Finds
- US To Start Buying Up To \$2.7 Billion In Domestic Nuclear Reactor Fuel
- US Will Need 500 TWh More Power In 2028, Can Methane Be the Answer
- OSHA Proposes Extreme Heat Rule
- Researcher Develop AI Model that Could Help Grids Prevent Power Outages
- Data Centers, EV Expansion Create Around 300 TWh Increase in U.S. Electricity Demand by 2030
- Colorado Springs Utilities Partners with NREL on Micro-Grid Project (DOE)
- 1/3 of Nuclear Power Plants in Talks w/ Data Centers to Supply Power for AI
- 85% Of New Electricity Built In 2023 Came From Renewables
- Nearly 70 Wildfires Threaten Communities Across U.S. West
- 1/3 of Nuclear Power Plants in Talks w/ Data Centers to Supply Power for AI
- Cleveland-Cliffs Announces New Transformer Production Plant in WV
- Utilities Leverage Artificial Intelligence to Track and Respond to Wildfires
- Company Starts Construction on Advanced Nuclear Reactor in TN
- Tidal Energy Could Help Decarbonize Alaska's Biggest Grid by 2035
- U.S. Coal Stockpiles at Highest Levels Since First Half of 2020

Markets

- Interconnection Process Enhancements Approved by CAISO Board of Governors
- MISO Survey Indicates Tight Resource Capacity in Upcoming Planning Year
- State Court Finds Texas was Right to Max Out Electricity Prices
- Portland General Electric (OR) Commits to CAISO EDAM
- TX Officials Want to Expand Generation Funding Program to \$10B
- TX PUC Receives 72 Applications for Texas Energy Fund Loan Program
- FERC Accepts ISO NE Longer Term Transmission Planning Changes

- PJM-Capacity Auction Procures Sufficient Resource Reliability Requirements
- PJM Clears 204 Generation Projects Under New Interconnection Process
- PJM Board Approves Updates to Regional Transmission Expansion Plan
- SPP Board Approves New Planning Reserve Margins
- SPP CEO Barbara Suggs Announces Retirement

Meetings

- June 20th – WAPA PDP New Entrant Pool Meeting
- June 21st – ABWC Meeting
- June 25th – APPA Wildfire Working Group
- June 26th – Hoover Visitor Services Ad Hoc Group
- June 26th – WAPA-CRSP Monthly Customer Meeting
- July 3rd – Lunch w/ SRP
- July 8th-25th Vacation
- July 30 – Lunch w/ Dave Lock
- July 31 – WAPA 10-Year Transmission Plan
- July 31 – WAPA-CRSP Monthly Customer Meeting
- August 2nd – PMA Taskforce Call
- August 2nd – NWRA Federal Affairs Committee Call
- Aug 4th-7th - APPA Advisory Committee Meeting
- August 13th – IEDA Committee Meetings
- August 14th - AEPCO Meeting
- August 15th – State Society of Arizona

Oil & Natural Gas

- July Midweek Prices Jumps Based on Summer Heat Bolstering Demand
- Pause on LNG Exports Put Mexican Export Project in Doubt
- Dallas Fed Expecting Rising Henry Hub Natural Gas Prices
- Judge Overturns Biden's LNG Export, but Projects Futures Still Uncertain
- Plump Canadian Storage Levels Suppressing Natural Gas Prices
- Lower Natural Gas Prices Seen Broadening LNG's Appeal Later This Decade

- Mexico Importing Record Levels of U.S. Natural Gas
- Texas Needs More Natural Gas Generation as Shortfall Looms
- Natural Gas, Oil Executives Forecasting \$3 Henry Hub Price by Early 2025
- IEA Forecasts Further Global Natural Gas Price Slides Through 2024
- European Natural Gas Demand Continued Decline Through June
- US Buys 4.65M Barrels for Emergency Oil Stockpile
- Looming LNG Demand Surge Poised to Sop Up Excess Canadian Natural Gas Supply, Impact Prices

Transmission/WAPA

- WAPA Participating in Phase 2 of West-Wide Governance Pathways
- WAPA-Sierra Nevada Signed MOU Regarding EDAM on Transmission Revenue Recovery, Transmission Loss Accounting & Resource Adequacy
- WAPA Modifying GPCP #17 to Allow for REC Sales
- New Scheduling, Accounting, and Billing Procedures Expected in August
- NE States Sign MOU on Interregional Transmission Planning, Development
- BPA Implements Interconnection Reforms to Clear Queue Backlog
- WAPA Introduces Voluntary Energy Reduction Program In PDP
- Proposed OTR Rates Increase 2% to 21.12 (\$/kW-Year)
- P-DP Rates Proposed at 26.27 w/o Transmission (mills/kWh), 7% Increase
- 55 Miles of HVTL Lines Added in 2023 as US Buildout Slows
- 1,700 miles on Average Added in 2010s/925 Miles from 2015-2019

Washington DC

- Freedom Caucus Pushes for Stopgap into 2025 to Avoid Omnibus
- Manchin, Graves, Sullivan Introduce Bicameral CRA Resolution of Disapproval to Overturn NEPA Phase II Final Rule
- Senate Passes Legislation (ADVANCE Act) Aimed at Boosting Nuclear Power
- House NRC Approves Bipartisan Wildfire Bill – HR 8790
- HR 8784 Introduced to Streamline Federal Permitting Process
- Senators Begin Spending Bill Markups in July
- Senate Passes Barrasso’s Bipartisan Mining School Bill

- Barrasso, Manchin Release Bipartisan Energy Permitting Reform Legislation
- Early Recess Announced as Appropriations Bills Passage Flounder
- House Committee Leaders Sent 8 Agencies Letters Regarding SCOTUS Chevron Decision
- House NRC Holds Hearing on HR 6012, Bill Would Allow Secretary of Ag to Remove Trees on NFS Lands w/o Timber Sale (Powerline ROW)
- Bill Introduced to Establish National Energy Efficiency Resource Standard
- Would Require Retail Electric and Natural Gas Utilities to Achieve Energy Savings of 22% and 14%, Respectively, by 2039;
- Bill Aimed at Spurring Deployment of Advanced Nuclear Reactors Signed
- 14 AGs ask FEMA to Make **Wildfire Smoke & Extreme Heat** Eligible for Major Disaster Aid
- Congressman Paul Tonko (D-NY) Introduces Carbon-Free Economy Bill
- Marine Energy Technologies Acceleration Act Introduced
- Grijalva Introduces Bill to Resolve Tribal Water Rights Settlements, Bring Clean Water to Indian Country