

Transcending Boundaries

2018 Adopted Resolutions

September 17, 2018





2018 Adopted Resolutions of the Southern States Energy Board

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Resolution sponsored by: Senator Gary Stubblefield, Arkansas

1.2018 | Ensuring Electric Grid Resilience and Diverse Resource Generation

WHEREAS, the United States is blessed with an abundance and wide range of energy resources; and

WHEREAS, this fuel diversity is a great asset domestically and geo-politically; and

WHEREAS, maintaining a secure and resilient grid that can quickly recover from interruption or disaster, whether made-made or natural, depends on the successful integration of all forms of electric generation; and

WHEREAS, ensuring uninterrupted supply of fuels and electricity is essential to our national security, and U.S. Department of Defense domestic installations rely on the commercial power grid for more than 90 percent of their power; and

WHEREAS, ready and resilient electricity underpins the health and safety of all our citizens, although hospitals, law enforcement, and telecommunications are dependent on an increasingly vulnerable grid; and

WHEREAS, a secure and resilient grid is also critical to financial systems and the economic foundation and security of our U.S. economy; and

WHEREAS, a key component of grid stability is maintenance of base load generation, including coal-fueled and nuclear power plants, which can prevent long-duration outages; and

WHEREAS, rapidly evolving and complex threats and fundamental changes to our generation mix have put the resiliency of our grid at risk; and

WHEREAS, coal plants are our most resilient sources of power; and

WHEREAS, additionally a vibrant civil, commercial nuclear sector is extremely important internationally and advances our national security interests and safety; and

WHEREAS, premature fuel-secure power plant retirements are irreversible and have reached a tipping point which will create vulnerabilities to our grid.

THEREFORE BE IT RESOLVED, that the Southern States Energy Board urges Congress to support initiatives and solutions that will preserve essential fuel secure generation and ensure that the grid is secure, stable, and resilient; and



Resolution sponsored by: Senator Gary Stubblefield, Arkansas

BE IT FURTHER RESOLVED, that the Southern States Energy Board asks the U.S. Department of Energy to immediately undertake, in coordination with other national defense organizations, a thorough, careful, and advanced analysis to gain a detailed understanding of the current and potential vulnerabilities in our electric grid and supporting infrastructure; and

BE IT FURTHER RESOLVED, that in the interim the Southern States Energy Board calls on the U.S. Department of Energy to fulfill its responsibility under the law to ensure that the electric grid is secure and operational, and that baseload, fuel secure generation sources are ready to respond to prevent long term outages, and that critical baseload power plants are not closed prematurely due to insufficient valuation of their benefits to the resilience of our nation's current electric grid and to our national security as a whole; and

BE IT FURTHER RESOLVED, that the Southern States Energy Board urges its member states to send letters supporting the Congress and Secretary of Energy in these endeavors so important to our health and security.



Resolution sponsored by: Representative Tim Remole, Missouri

2.2018 | Urging Replacement of Clean Air Act Section 111(b) and(d) Rules and Federal Implementation Plans

WHEREAS, the Southern States Energy Board (SSEB) has worked diligently for many years on energy issues facing our country and has been on the leading edge of new technologies and pushed for ways to deliver reliable, affordable, and energy independence for the United States; and

WHEREAS, the SSEB recognizes how important coal is to the energy mix to carry the base load for power to i-ensure that we have reliable energy 24 hours a day 7 days a week; and

WHEREAS, coal has many uses other than an energy source and its many benefits are being researched, such as rare earth elements; and

WHEREAS, the SSEB recognizes the importance of coal and its many benefits but have seen regulations enforced that are very detrimental for the coal industry as a whole and devastating to many families and the coal states; and

WHEREAS, many coal fueled plants have been prematurely shut down and many are scheduled to follow because of regulations; and

WHEREAS, the SSEB recognizes that the Obama Administration used Federal Implementation Plans (FIPs) to force regulations on the coal industry causing the shut down and removal of the coal fueled power plants and currently has made it against the law to build new coal fueled plants in this country, which is recognized as Federal overreach, detrimental to the states, and unconstitutional and threatens the base load source for energy reliability; and

THEREFORE BE IT RESOLVED, that the Southern States Energy Board members urges President Donald Trump and the United States Congress to let the states implement their own State Implementation Plans and free them of the unconstitutional FIPs that were implemented on the states without a vote by Congress, who represent the people; and

BE IT FURTHER RESOLVED, the Southern States Energy Board members ask for the immediate replacement of the Clean Air Act's Section 111(b) and (d) rules on new, modified, reconstructed, and existing-power plants that were implemented.



Resolution sponsored by: Representative Jim Gooch, Jr., Kentucky

3.2018 | Amending the Resource Conservation and Recovery Act to Encourage Reclamation of Coal Combustion Residual Resources From Surface Impoundments and Landfills

WHEREAS, the U.S. Resource Conservation and Recovery Act of 1976 (RCRA) establishes a national goal to conserve valuable materials and energy resources by promoting resource conservation and recovery while preserving and enhancing the quality of air, water and land resources; and

WHEREAS, EPA promulgated the Disposal of Coal Combustion Residuals from Electric Utilities final rule in 2015, which established national guidelines for the management and disposal of coal combustion residuals (CCR); and

WHEREAS, CCR is a valuable mineral resource that is utilized as in many construction material applications which conserves natural resources and energy while enhancing the environment and reducing imported cement and improving the U.S. balance of trade payments; and

WHEREAS, RCRA amendments in December 2016 provided a pathway for States to assume delegated authority to enforce the CCR Regulations and issue State permits; and

WHEREAS, the EPA CCR regulations state that they exempt beneficial use and recycling of CCRs from regulation under the CCR disposal rules, yet the rules establish requirements on beneficial use which discourage their reclamation and beneficial use; and

WHEREAS, State and Federal budgets are negatively impacted when CCRs are not available for reclamation and utilization or cannot be readily used in State and Federal Highway construction due to regulatory burdens and aren't reflective of an exemption from regulation; and

WHEREAS, millions of tons of CCR mineral resources are currently stored in surface impoundments and landfills throughout the US which can be reclaimed and beneficially used if regulatory burdens are removed; and

WHEREAS, the closure of coal fueled electric generating stations is causing regional shortages of locally available CCR mineral resources to support construction projects and indirectly driving up project and taxpayer costs; and

WHEREAS, both Congress and States can incorporate the goals and objectives of RCRA by encouraging the reclamation and reducing the regulatory burden on CCR resource recovery and beneficial use.



Resolution sponsored by: Representative Jim Gooch, Jr., Kentucky

THEREFORE BE IT RESOLVED, that the Southern States Energy Board recommends that Congress, the Administration and State Governments amend RCRA and/or State Laws to reduce the regulatory burden imposed by the CCR limitations imposed on beneficial use of CCRs, clarify the exemption language within the laws and regulations by stating that CCR beneficial use projects are exempt from RCRA and provide a directive to EPA to establish regulations that reduce the regulatory burdens and clearly establish a goal of increasing the utilization with sufficient time allowed to reclaim these resources



Resolution sponsored by: Senator Terry Burton, Mississippi*

Representative Howard Sanderford, Alabama

Senator Ken Yager, Tennessee

4.2018 | Supporting Transformational Science and Technology Innovation to Advance U.S. National Security and Economic Growth

WHEREAS, the United States Department of Energy Office of Fossil Energy (DOE-FE) Fossil Energy Research and Development (FER&D) program advances transformative science and innovative technologies that enable the reliable, efficient, affordable, and environmentally sound use of fossil fuels; and

WHEREAS, FER&D conducts research and development on advanced carbon dioxide (CO2) capture, utilization, and storage (CCUS) technologies, advanced fossil energy systems, and crosscutting fossil energy research; and

WHEREAS, DOE-FE Carbon Storage/Storage Infrastructure program has two flagship programs focused on advancing the wide-scale deployment of CO₂ capture and storage (CCS) and CCUS technologies, including the Regional Carbon Sequestration Partnerships (RCSPs) and the Carbon Storage Assurance Facility Enterprise (CarbonSAFE) programs; and

WHEREAS, DOE-FE established a nationwide network of seven RSCPs in 2003 that serve as developmental centers for CCS/CCUS excellence and collectively include the technical expertise of over 450 partners linking industry, research, and governmental organizations; and

WHEREAS, the Southern States Energy Board manages the RCSP for the southern region, the Southeast Regional Carbon Sequestration Partnership, that currently is in its third phase and has successfully completed six field demonstrations of CCS and CCUS technologies, two of which are large commercial-scale operations in Alabama and Mississippi; and

WHEREAS, the RCSPs have an unrivaled track record of large scale CO₂ injection with industry collaboration and have enabled key strategic projects, such as NRG Energy's Petra Nova commercial CCUS facility that includes a scale up of the Southern Company's CO₂ capture unit demonstrated by SECARB in Alabama and also uses the business model established for SECARB's fully integrated CO₂ capture, transportation, injection, monitoring, and storage project; and

WHEREAS, the seven RCSP projects are nearing close-out at the end of Phase III in the 2018-2020 timeframe, with SECARB currently ending on June 30, 2019; and

WHEREAS, the DOE-FE CarbonSAFE program was initiated in 2016 to "build on the lessons learned from the Regional Carbon Sequestration Partnerships' large-scale field projects and next set of technical challenges for carbon storage" in four distinct phases, including: 1) Integrated CCS Pre-Feasibility; 2) Storage Complex Feasibility; 3) Site Characterization; and 4) Permitting and Construction; and



Resolution sponsored by: Senator Terry Burton, Mississippi*

Representative Howard Sanderford, Alabama

Senator Ken Yager, Tennessee

WHEREAS, DOE-FE issued a Funding Opportunity Announcement (FOA) for CarbonSAFE Phases I and II but has not issued the FOA for Phases III and IV, and the existing CarbonSAFE Phase II projects will end in early 2019 with no future phases currently slated by DOE-FE to be supported in the near future leaving many goals of the program unachieved; and

WHEREAS, the Southern States Energy Board manages a Phase II CarbonSAFE project near Meridian, Mississippi, that hold tremendous promise for a future large-scale CO2 geologic storage facility; and

WHEREAS, significant gaps in knowledge exist that prevent the wide-scale commercial deployment of CCUS technologies, gaps that can be filled by continuing the RCSP and CarbonSAFE public-private programs with partners who are committed, technically and financially, to their success.

THEREFORE BE IT RESOLVED, the Southern States Energy Board supports the DOE-FE FER&D program's focus on transformational science and technology innovation to advance U.S. national security and economic growth; and

BE IT FURTHER RESOLVED, the Southern States Energy Board encourages members of Congress to direct DOE to fulfill prior commitments to the RCSPs; fund them beyond the current phase through multiyear, competitively-selected partnerships so they may focus on infrastructure development strategies to expand regional geological characterization, to reduce uncertainties, collect and analyze data, and facilitate and inform regional permitting and policy challenges; and provide not less than \$20 million for the competitive continuation of the RCSPs; and

BE IT FURTHER RESOLVED, the Southern States Energy Board encourages members of Congress to direct DOE to continue the four-phase CarbonSAFE initiative by releasing the FOA for Phases III and IV in a timely manner to maintain the momentum of existing projects to retain private investment in future phases and to appropriate not less than \$30 million to continue the four-phase program; and

BE IT FURTHER RESOLVED, that the Southern States Energy Board communicates this resolution to congressional delegations in the SSEB region, the Secretary of Energy, and DOE's Assistant Secretary of Fossil Energy.



Resolution sponsored by: Representative Rocky Miller, Missouri

5.2018 | Supporting Energy Security for Consumers

WHEREAS, consumers of electricity benefit when electric utilities can operate in the financial markets and physical commodity markets to manage overall costs and price volatility through hedging and appropriate use of physical reserves; and

WHEREAS, due to numerous factors, including shifts in federal environmental policy, commercial and consumer preferences for lower emission energy sources, and market dynamics, electric power generation is increasingly dependent on natural gas and will be for decades to come; and

WHEREAS, while natural gas commodity prices and futures estimates are relatively low today, market forces affecting multiple states and external to the United States could alter the natural gas supply and price curves, re-introducing volatility to the natural gas markets; and

WHEREAS, financial investment strategies and ownership interests in natural gas reserves are viable options for providing insurance against unexpected reductions in natural gas supplies and volatility.

THEREFORE, BE IT RESOLVED that the members of the Southern States Energy Board encourage states to continue allowing electric utilities to effectively manage natural gas supplies and prices, and protect consumers, through a variety of tactics, including financial hedging and ownership interests in physical reserves.



Resolution sponsored by: Representative Jim Gooch, Jr., Kentucky*

Senator Brandon Smith, Kentucky

6.2018 | Recommending Policies that Mitigate Market Distortions and Create Transparency

WHEREAS, the US Congress sought to assist Wind and Solar research and development by creating the Investment Tax Credit and Production Tax Credits to support early stage technology development; and

WHEREAS, because Wind Production Tax Credits are only issued for dispatched energy, the owners of wind energy generating capacity often offer prices for their electricity at prices below zero dollars per MWH; and

WHEREAS, generators who are offering electricity at prices below zero force generators of nuclear and coal power to either pay to remain online or cycle their plants on and off in a manner that is both inconsistent with their operational design and detrimental to the ultimate life and reliability of such plants; and

WHEREAS, these market distortions have already led to the premature retirement of coal and nuclear plants and threaten to force similar retirements in the future and erode the resiliency and reliability of electric grids across the United States; and

WHEREAS, the premature retirement of coal and nuclear plants strands assets that are borne by ratepayers in regulated markets and, in deregulated wholesale markets, economically harming both public and private power producers; and

WHEREAS, state and federal subsidies, socialized transmission costs, and the need for backup power and ancillary services all contribute to the cost of renewable energy are not transparent to ratepayers because most of those costs are not attributed to renewable energy on utility bills or simply hidden in their local, state and federal tax bills.

THEREFORE BE IT RESOLVED, the Southern States Energy Board recommends that State and federal legislators, state and federal public utility regulators Independent System Operators (ISO), and Retail Transmission Organizations adopt laws, regulations, protocols and policies that mitigate market distortions resulting from renewable subsidies and create more transparency in electric markets by developing policies and protocols that better inform ratepayers of the true and total costs of renewable energy; and

BE IT FURTHER RESOLVED, that included among the reforms should be policies that prohibit electric generators who receive per-megawatt hour tax credits from either States or the Federal Government from offering their generated electricity into electric markets at prices less than the zero dollars and discourage offers below subsidy levels which artificially undervalue generation resources across United States electricity markets.



Resolution sponsored by: Representative Chuck Martin, Georgia*

Representative Lynn Smith, Georgia

7.2018 | Supporting the Reconsideration of Corporate Average Fuel Economy (CAFE) Standards

WHEREAS, Congress first established Corporate Average Fuel Economy (CAFE) standards through the Energy Policy and Conservation Act (EPCA) of 1975; and

WHEREAS, the CAFE standards were implemented largely in response to the 1973 oil embargo in order to reduce foreign imports of petroleum; and

WHEREAS, because of shale development, the International Energy Agency (IEA) expects the United States to overtake Russia as the largest oil producer by 2019; and

WHEREAS, as originally enacted, Congress authorized a single regulator, the U.S. Secretary of Transportation, to set CAFE standards and to implement the program; and

WHEREAS, under the Obama administration, two federal agencies – the U.S. Department of Transportation's (DOT) National Highway Transportation Safety Administration (NHTSA) and the U.S. Environmental Protection Agency (EPA) – and one state agency – the California Air Resources Board (CARB) – were jointly placed in charge of our nation's fuel economy standards under "One National Program" (ONP), giving California significantly disproportionate influence in the setting of national fuel economy standards relative to the 49 other states; and

WHEREAS, the EPCA makes clear that no state may "adopt or enforce a law or regulation related to fuel economy standards" when a federal average fuel economy standard is in effect; and

WHEREAS, the existing CAFE standards, if unchanged, are likely to increase the cost of the average new vehicle by several thousand dollars, thus pricing millions of Americans, especially those who are economically disadvantaged, out of the new car market; and

WHEREAS, American families, farmers, truckers, and businesses should have the flexibility to purchase, drive, and repair the cars, trucks, and other vehicles that meet their individual and specific needs.

THEREFORE BE IT RESOLVED, that the Southern States Energy Board supports the process currently being jointly undertaken by the U.S. Department of Transportation's National Highway Traffic Safety Administration and the U.S. Environmental Protection Agency to reconsider the augural Corporate Average Fuel Economy standards and the Final Determination of the Mid-Term Evaluation of greenhouse gas emissions standards for model year 2022-2025 light-duty vehicles; and

BE IT FURTHER RESOLVED, that the Southern States Energy Board opposes the federal government continuing to grant California an outsized role in determining vehicle fuel economy standards for the 49 other states; and



Resolution sponsored by: Representative Chuck Martin, Georgia*

Representative Lynn Smith, Georgia

BE IT FURTHER RESOLVED, that the Southern States Energy Board communicates this resolution to the President of the United States, the Secretary of Transportation, the Administrator of the National Highway Traffic Safety Administration, the Administrator of the Environmental Protection Agency, the Chair of the California Air Resources Board, congressional delegations of states in the SSEB region, and appropriate state and territory officials.



Resolution sponsored by: Governor Phil Bryant, Mississippi*

8.2018 | Accelerating the Issuance of Regional Emergency Fuel Waivers During Supply Shortages

WHEREAS, the United States Environmental Protection Agency (EPA), working with the United States Department of Energy, addresses fuel supply disruptions caused by refinery or pipeline supply chain interruptions that can result from hurricanes or other natural disasters; and

WHEREAS, the EPA Administrator has the authority to waive certain requirements of the Clean Air Act (CAA) relating to the sale, distribution, and use of reformulated gasoline and low volatility conventional gasoline in the states to address fuel supply disruptions and to help ensure that an adequate supply of fuel is available, particularly for mandatory or voluntary evacuations and for emergency responders; and

WHEREAS, EPA has agreed to give consideration to issuing emergency fuel waivers to the affected states in advance of a hurricane making landfall if the situation justifies the action, considering such evidence as refinery closures and evacuation orders.

THEREFORE BE IT RESOLVED, that the Southern States Energy Board directs its staff to collaborate with its members, including the American Petroleum Institute and American Fuel and Petroleum Manufacturers, EPA, and DOE to determine the feasibility of a codicil to the Southern States Energy Compact that will allow the Southern States Energy Board to request multi-state, regional emergency fuel waivers on behalf of multiple states in order to hasten the process; and

BE IT FURTHER RESOLVED, that the Southern States Energy Board directs its staff to coordinate with its members, including the American Petroleum Institute, the American Fuel and Petroleum Manufacturers, the state trade organizations, EPA, and DOE to establish a southern emergency fuel supply council for the purpose of education and outreach related to the emergency fuel waiver process and to facilitate effective cooperation among federal and state officials when fuel supply disruptions are imminent; and

BE IT FURTHER RESOLVED, that the Southern States Energy Board's staff will provide an action plan for future related activities during the Board's 59th Annual Meeting in 2019.



Resolution sponsored by: Mr. Kenneth J. Nemeth, Secretary, SSEB*

All Southern States Energy Board Members in

Attendance

9.2018 | Recognizing and Supporting Kathy Arlene Sammons and the Sammons Family

WHEREAS, Kathy Arlene Sammons has served as a loyal and dedicated staff member of the Southern States Energy Board for 32 years and currently serves the Board as its Director of Business Operations;

WHEREAS, Ms. Sammons provides outstanding leadership to the Board to ensure the contractual and fiscal welfare of the Southern States Energy Board; and

WHEREAS, Mrs. Sammons, her husband, Ronnie, and their sons Patrick and Matthew have provided constant, unwavering support to the Southern States Energy Board;

WHEREAS, on June 12th, 2018, Mrs. Sammon's son, Mr. Patrick Sammons, was involved in a tragic natural gas explosion resulting in life-threatening burns and injuries; and

WHEREAS, Mr. Sammons received life saving treatment and care from the talented physicians, nurses, and staff of Grady Memorial Hospital in Atlanta, Georgia; and

WHEREAS, Mr. Sammons returned home on September 1st, 2018, in time to watch his beloved University of Georgia Bulldogs win their first home football game of the season; and

WHEREAS, Mr. Sammons continues to heal and excel through his recovery and rehabilitation process.

THEREFORE BE IT RESOLVED, that the Southern States Energy Board expresses its appreciation to Mrs. Sammons for her service to the Southern States Energy Board; and

BE IT FURTHER RESOLVED, that the Southern Staes Energy Board offers continued support and prayers for the Sammons family.



Southern States Energy Board

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