

Securing the Grid, Meeting Infrastructure Needs, and Cybersecurity March 2022

Need

The 2021 Infrastructure Investment and Jobs Act (IIJA) is a greatly appreciated and much needed source of funding for utility projects across the country. It provides significant dollars to address a wide array of needs. However, long-term securitization of the grid, changing infrastructure needs, and evolving cybersecurity issues will require additional federal support, policy changes, and strategic financial investments and incentives.

Background

Municipal utilities are facing a number of new and expanding issues as they strive to provide reliable, sustainable, and affordable power to their customers. They generally support a movement away from the use of fossil fuels, but stress that mandates and deadlines are not helpful in their efforts to ensure all residents have access to reliable, sustainable, and affordable power.

The growing use of electric vehicles is increasing the need to address the placement of public charging stations. It is also increasing the need to upgrade the infrastructure required to ensure safe installation of home charging units.

At the same time, utilities are facing more threats from severe storms, wildfires, and other conditions beyond their control. In addition to base repair and replacement costs, there may be long-term advantages to moving infrastructure underground, but such efforts bring significantly higher up-front expenses. Infrastructure that is safe and secure helps ensure the overall power grid is reliable.

In addition to protecting local systems and the grid from physical damage, there is an ever-growing threat of cyberattacks, including potentially expensive and debilitating ransomware threats, that could cripple the ability to provide reliable service both locally and across the grid.

MMUA Position

Municipal utilities in Minnesota are committed to a greener future, but also believe everyone is entitled to reliable, sustainable, and affordable energy. MMUA supports policy changes that would provide incentives to those who would like to invest in renewable energy. These changes include adopting comparable incentives, restoring the authority to advance refund tax-exempt bonds, and increasing the small-issuer threshold from \$10 million to at least \$30 million.

MMUA opposes mandates but encourages information sharing among utilities and local, state, and federal regulators and policy makers.

MMUA supports continued federal investments and incentives that help utilities upgrade, maintain, and protect their infrastructure and other assets to meet the evolving needs of consumers. In addition, MMUA also supports investments and incentives that promote development of improved technologies in things such as energy storage/battery capacity and duration, cleaner fuels, and other related efforts that further utilities' efforts to provide reliable, sustainable, and affordable power.