

THE LIVE WIRE July 2021



Register Today:

2021 PMEA Annual Conference - September 8-10, 2021

Penn Stater Hotel & Conference Center, State College

Registration for the PMEA Annual Conference and golf outing are now open. Information has been sent via email. If you need registration forms for the conference or golf outing, please email bosak@papublicpower.org. **Hotel deadline is August 2!** Rooms and rates after this date cannot be guaranteed.

Sessions just added:

In addition to opportunities to visit with PMEA associate members in our exhibit area, topical sessions will include Smart Cities, Battery Storage and PJM BTM Economics, Uses of ARPA Funds, and many others. This year will feature a reception on Thursday as well as our Wednesday evening kickoff reception!

Nominations -

Nominations to the PMEA Board of Directors are currently being accepted. All board members are elected at large but there must at least one board member from a borough with less than 1,600 meters. With 3 seats open, one seat currently represents a community of less than 1,600 meters. Nominations should be made by the elected council as the seat is awarded to the municipality and not the specific individual. The election for board members and officers will occur at the business meeting during the annual conference in September. To submit a nomination, please contact Diane Bosak, bosak@papublicpower.org.

2021 Legislative Measures Poised to Affect Municipal Electrics

By: Isaac P. Wakefield and G. Bryan Salzmann, Salzmann Hughes - Counsel to PMEA

2021 has already seen several legislative measures coming out of the General Assembly that affect the operation of municipalities across the Commonwealth. Some of the most critical arose out of continued concerns over enhanced transparency and the address desire to the widespread rollout of 5G infrastructure. As with all new legislation impacting municipalities generally, it is important for PMEA members to understand and account for the



practical implications these new laws will have on their operation. This article highlights two of the most impactful legislative efforts of 2021 to date, amendments to the Sunshine Act and 5G legislation.

Act 65 of 2021

First, Act 65 of 2021 will take effect August 30, 2021. It will impact how political subdivisions conduct their business and manage their public meetings. The law amends the Sunshine Act to require that a political subdivision post an agenda to its website that details each matter of business that will be or may be the subject of deliberation or official action at its public meeting. This must occur no later than 24 hours prior to the meeting. The agenda must also be posted at the meeting location and municipal office.

If a matter of business is left off the posted agenda, the municipality may not take official action on that matter at the meeting, with certain limited exceptions. Those exceptions allow a municipality to take official action on matters relating to emergencies endangering life or property. A municipality

may also take official action on a matter that arose within 24 hours of the meeting if the matter is not significant and does not involve the expenditure of funds or entering a contract. Additionally, if a resident or taxpayer raises new business at a meeting, the municipality can act on it if it is de minimis in nature and does not involve expenditure of funds or entering a contract. Finally, a municipality may change its agenda at a meeting through a majority vote of those present to add a matter for official action but must follow strict post-meeting notice procedures with respect to the change.

These enhanced requirements will undoubtedly present challenges to political subdivisions who must now juggle them along with the need to ensure critical business, including last-minute items, is carried out. For boroughs that purchase wholesale power and often need quick and decisive action to lock in favorable rates, terms, or conditions, leadership must be cognizant of the requirements of Act 65 and plan accordingly. If such an action item is anticipated to occur at a meeting, the borough should ensure that the item is included on the advanced agenda. Otherwise, the ability to act on the item may be impeded. In a pinch, the municipality can also consult its solicitor with respect to whether any exception to these new requirements offers flexibility in working through last minute agenda items.

Act 50 of 2021

The General Assembly also recently enacted Act 50 of 2021, which will take effect August 30, 2021. Act 50 applies to the activities of a wireless provider deploying small cell facilities and related infrastructure within the public rights-of-way. Wireless providers can collocate small cell facilities on existing utility poles or replace them with new utility poles. Municipalities may charge annual fees for use of the right-of-way by these new facilities, including an application fee for any collocated antennas on existing poles.

Small cell facilities are a permitted use in all areas except underground districts. But the municipality will review applications for the facilities in accordance with its applicable codes including its zoning ordinance. Applications are not subject to discretionary zoning review, including conditional use or special exception requirements. Municipalities may develop design guidelines to minimize aesthetic impact of small wireless facilities and may adopt ordinances that comply with Act 50. But if that is not done within 60 days of the effective date of the Act, the Act will control processing applications received.

Under Act 50, municipalities shall not require applications for routine maintenance or repair work, or certain replacements, installations, and maintenance. But the Act provides express requirements governing a wide array of considerations including size limits for installed wireless facilities, prohibitions on underground districts, historic district provisions, and permitting requirements. Wireless providers must repair all damage to the right-of-way that was directly caused by its activities and return the right-of-way to its original condition. Facilities must be installed and maintained in a way that does not obstruct or hinder travel, public safety, or the legal use of the right-of-way by the municipality and any utilities. Finally, wireless providers must indemnify municipalities for any harm they cause while installing, repairing, or maintaining their facilities or poles in the right-of-way.

Act 50 represents the culmination of substantial work by wireless providers and municipal stakeholders. It represents a compromise of often competing interests between these entities. PMEA members would do well to familiarize themselves with the requirements of Act 50, review their own local legislation to ensure compliance with Act 50, and determine what (if any) practices they need to implement to comply with Act 50 going forward.

Salzmann Hughes, P.C. is Solicitor of PMEA. The attorneys at Salzmann Hughes, P.C. can assist with any questions related to the new legislative measures explained in this article.

Pennsylvania Has a New State Budget, Here are the Highlights

By Joe Uliana, Managing Principal, J.M. Uliana & Associates



At the end of June, Governor Wolf signed into law Pennsylvania's new state budget. The approved budget is a \$38.587 Billion spending plan, which represents an almost \$4.6 Billion or 13.5% spending increase from the previous budget. The large spending increase was the result of one-time, non-recurring Federal stimulus payments, related to COVID 19 relief. The actual, state spending increase was smaller, less than a \$1 billion or 2.5%.

The Federal government provided nearly \$7.3 billion to Pennsylvania state government from the American Rescue Plan Act (ARPA). This is part of the same legislation that provided funding for every community in Commonwealth. The budget used only a percentage of those funds to balance, maintaining \$5 billion of ARP funds which can be used in the next two budget cycles.

While the budget reserved most of the new ARPA money for future budgets, it did target \$1.1 Billion for the following one-time spending initiatives:

- \$377 million for pandemic response efforts
- \$282 million for long-term living programs
- \$279 million for infrastructure improvements
- \$50 million for higher education
- \$50 million for affordable housing

The largest portion of the nearly \$1 billion in new state spending, over \$400 million, went to K-12 education programs: \$300 million for basic education; \$30 million for early childhood education; and \$50 million for special education. In addition, \$100 million of the new basic education money went for the "Level Up" initiative that will provide a greater portion of new funding to the state's poorest school districts. These districts are split between urban and very rural school districts. The focus on driving more funding to Pennsylvania's 100 poorest districts was big priority of Governor Wolf.

This budget continues to fully fund the actuarially required contributions for the Public School Employees Retirement System (PSERS) and the State Employees Retirement System (SERS) for the sixth year in a row.

On the taxation side, there was no tax increase. The only tax adjustments were the approval of new sales tax exemptions for computer data center equipment and helicopter simulators. The new sales tax exemptions were approved to incentivize Pennsylvania's data center and helicopter businesses to grow and expand.

The measured approach to new spending was not universally embraced. Democrats in the House and Senate were pushing plans to use most of the ARPA funds in this budget, to invest in priorities such as direct assistance to businesses, infrastructure projects, property tax relief, increases in childcare funding and a new program to remediate school buildings.

The debate over where and how to spend the remaining \$5 Billion in ARPA funds will continue until next June, when the Pennsylvania General Assembly will have to approve Governor Wolf's final budget.

PMEA Holds 2nd Annual Finance Workshop

PMEA and the Borough of Chambersburg hosted the 2nd annual Finance Workshop. While this year's workshop was virtual, the hope is to be able to join in person for the 2022 workshop.

Much of this year's workshop focused on impacts of COVID. Chambersburg highlighted operational and financial impacts they experienced and also shared their Utility Service Manual. The manual provides applicants and customers with information in order to promote an understanding of the terms and conditions on which the utility services are rendered.



Sam Wiser of Salzmann Hughes discussed collection policies and procedures. He noted that electric service is a municipal claim under the Municipal Claim and Tax Lien Law - a law that has not been amended in any significant form since 1963. As such, Mr. Wiser urged municipalities to have clear policy in place. He discussed the collections policy as a roadmap to:

- Help ensure that you complete each step in the process;
- Provide a baseline of equal treatment of similarly situated accounts; and
- Provide transparency in the efforts that may be employed to collect delinquent accounts.

In addition, he added that collections policies should be adopted by resolution and include a waterfall policy. The waterfall procedure should delineate the allocation of partial payments to outstanding charges.

Other topics discussed during the workshop included winter moratoriums and how to address owner requests to terminate service to tenant occupied buildings.

Applications Accepted until August 27 for EV Stations

Pennsylvania's Alternative Fuels Incentive Grant (AFIG) Program is currently accepting applications through August 27 and again prior to December 17. Approximately \$5 million in grants is made available annually for school districts, municipal authorities, political subdivisions, nonprofit entities, corporations, limited liability companies or partnerships incorporated or registered in the Commonwealth. All applications must be submitted via the DCED eGrants application system.

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Eligible Project Categories:

- Vehicle Retrofit or Purchase Projects:
 - New Vehicle Purchase The incremental cost of purchase of new alternative fuel vehicles (any type or size/class).
 - Vehicle Retrofit The incremental cost to retrofit new vehicles to operate on alternative fuels (any type or size/class).
- Alternative Fuel Refueling Infrastructure Projects:
 - Light-duty and Medium-duty Fleet Refueling The cost to purchase and install refueling equipment servicing, at a minimum, one fleet of ten (10) or more alternative fuel vehicles with a GVWR less than 26,000 lbs.
 - Light-duty Worksite or Home-based Refueling Projects The cost to purchase and install refueling equipment at a vehicle's or vehicles' home location servicing primarily vehicles with a GVWR less than 10,000 lbs.
 - Public Refueling Projects the cost to purchase and install refueling equipment at a location that supports full public 24-7 access.
- Innovative Technology Projects:
 - Projects that include research, training, development and demonstration of new applications or next phase technology related to alternative transportation fuels and alternative fuel vehicles.

The PA Department of Environmental Protection Energy Programs Office also recently released <u>Electric Vehicle Roadmap: 2021 Update</u> to help meet the need for more widely available information. This booklet presents an overview of the benefits and basics of electric vehicles; a statewide look at current electric vehicle use; tips for individual consumers; and actions that legislators, government offices, and business owners can take to make the switch to electric vehicles. It's free for public use and distribution.

Associate Member Spotlight



LLC HiReli, is а manufacturers' representative and Value-Added Reseller (VAR) of electrical equipment for power systems, celebrating our 20th year. We are involved in bulk power, distribution, and protection systems with both electric utilities and commercial/industrial customers. We represent: G&W Electric, GE Grid SAI-APS Switchgear, Automation, Magnetron Transformers, Hahne Cable, and

ABB Power Products. We are also a value-added reseller of a variety of equipment such as SEL and GE controls and instrument transformers. HiReli works with customers not only as a supplier of equipment, but in the areas of applications, training, service & support. We also develop automation programs and recommend settings and perform forensic reviews to identify corrective actions and risk mitigation. Let us know how to help you build a highly reliable power system!

For more information, please visit the website at www.hireli.com.

We Want to Hear From You

Please share with us your exciting projects and photos for future newsletters. Your submissions should be sent to bosak@papublicpower.org at any time and we will use them in upcoming editions.

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