

Local Government Advisory Committee

Public Meeting Summary

Friday, December 16, 2022

12:00pm Call to Order and Roll Call

Paige Lieberman, LGAC Designated Federal Office, opened the meeting and completed roll call.

Opening Remarks

Lisa Wong, LGAC Vice-Chair, welcomed everyone to the meeting. She recognized the exceptional work from Mayor Satya Rhodes-Conway, Mayor Deana Holiday Ingraham, Gary Brown, and Mayor Lucy Vinis. She noted that EPA's role in tackling the climate crisis and removing lead from the country's drinking water is of huge significance, and that the opportunity to be involved in crafting those programs will make a difference to every local government.

12:10pm Welcoming Remarks

John Lucey, Deputy Associate Administrator of Intergovernmental Relations, welcomed everyone to the meeting.

Janet McCabe, EPA Deputy Administrator, provided welcoming remarks, thanking the Committee members for their input. She gave an overview of EPA's accomplishments during 2022, including the Inflation Reduction Act (IRA), the Bipartisan Infrastructure Law (BIL), the renewable fuel standard, methane reduction, and the Lead and Copper Rule. In 2023, she highlighted that EPA will be finalizing Waters of the United States, taking action on fine particulate matter and nitrous oxide from heavy-duty vehicles. Congress gave a short timeline for implementing IRA, and she thanked LGAC members for their quick work in developing recommendations.

12:15pm Discussion of Charge: Inflation Reduction Act Climate Pollution Grants and Heavy-Duty Vehicles

Mayor Rhodes-Conway gave an overview of the Air and Climate Workgroup's charge regarding the Inflation Reduction Act. The charge is divided into three parts – Greenhouse Gas Reduction Fund, Climate Pollution Reduction Grants, and Heavy-Duty Vehicle Program.

Recommendations on parts two and three will be shared in January. The Mayor highlighted a few themes in the recommendations so far:

The most impactful way to support community-level change is to provide a way for communities to be direct recipients of funding. We know that EPA typically works through the states, but this program isn't like any other EPA program. Local governments are the ones making innovative changes to their communities' greenhouse gas emissions, and we are the ones who know how and where to target new programs.

In terms of facilitating coordination and leveraging of other available funding and planning efforts to maximize program effectiveness, the keys here are to coordinate with other federal agencies whenever and however possible, to reduce the administrative burden for local governments, and to give us advance notice about the timing and content of available funding. Even if the estimates change, knowing simple details—such as the plan is to launch the funding application for heavy-duty vehicles program under IRA in March of 2023 or that funding will be targeted to communities with a population of under 100,000—is incredibly helpful in terms of planning and using our limited staff capacity to effectively apply for grants.

Jennifer Macedonia, Associate Deputy Assistant Administrator for Implementation from EPA thanked the LGAC for their preliminary input. She highlighted the main goals of the IRA programs, eligible recipients, and the timeline for implementing the program.

Mayor Rhodes-Conway facilitated a discussion of the questions posed in the Committee's charge.

Lisa Wong said that many communities lack baseline data for GHG emissions and asked if that will be a barrier to applying for and being awarded funding. Jennifer Macedonia said that EPA recognizes communities have a range of capacity; thus, the goal would be to use the planning grants to fund programs that ensure success and maximize benefits. EPA wants to provide options that meet communities where they are – whether that is starting the journey or continuing it.

Lisa Wong noted the need to set aside funding for smaller communities that need to do basic planning. The EJ data online is helpful to move projects forward, since it provides one consistent way to look at communities and make the arguments they need to make.

Lisa Wong noted discussions on the unintended consequences of certain climate actions, including concerns of whether grid infrastructure is ready for an increase in electrification, and whether home upgrades may raise insurance premiums. She requested that EPA help ensure that such information is made widely available.

Jonathan Gordon from Newark spoke about GHG inventories and the value of using Google environmental insights, which is free and fast, and provides estimates very close to the results received via Newark's two-year process. He also highlighted that many residents in urban and disadvantaged communities don't own personal vehicles, so resources should accommodate this by targeting public and other modes of transportation.

Mayor Lucy Vinis highlighted the need to ensure that states and localities are not competing against one another for funding. Mayor Rhodes-Conway seconded this, with the recommendation that any award should require working with any jurisdictions within their boundaries.

Jonathan Gordon noted the challenge of heavy-duty vehicles and incremental funding, as communities can't afford the remaining funding to procure the vehicles. Mayor Rhodes-Conway emphasized this point and commented on the need to focus funding on high-use vehicles rather than infrequently used vehicles— and the fact that some vehicles don't have reasonable options available for electrification.

12:45pm **Presentation of Recommendations: Inflation Reduction Act Greenhouse Gas Reduction Fund**
Mayor Satya Rhodes-Conway, LGAC Air & Climate Workgroup Chair

Mayor Rhodes-Conway provided an overview of recommendations on the Greenhouse Gas Reduction Fund.

Experience and challenges with public-private partnerships: Our recommendations focus on the need for local government to be a key player in the funding of the Greenhouse Gas Reduction fund. We also recommend that you think innovatively when distributing this money. We also speak to the need to require funding recipients to articulate clear, measurable targets and outcomes for GHG emission reductions and benefits to communities, which is informed by where we've seen public-private partnerships falter in the past.

How to develop and implement the program in a way that helps states, municipalities, and tribal greenhouse gas programs achieve maximum GHG reductions: We recommend prioritizing funding for entities that have completed GHG emission inventories and know how to put money towards achieving emissions reductions in an efficient and effective way. We also highlight the challenge, from the local government perspective, that developing comprehensive and effective programs to reduce GHG emissions usually involves working with multiple federal agencies. We recommend that you develop ways to standardize access to funding across the federal family, including things like similar applications and reporting requirements, as well as the ability to layer funding.

Based on GHG emission inventories we have found a concentration in the building sector and construction. EPA can play a role by prioritizing decarbonization of the existing building sector and including a pathway for building new housing that is net-zero GHG emissions and affordable. We recommend EPA prioritize community solar projects – which may be rooftop or ground mounted – that serve low-to-moderate-income households.

Technical and financial assistance: Themes include a push for cross-agency coordination, flexibility for implementation that meets the needs of local communities and exploring innovative funding structures. Additionally, we recommend that the EPA develop strong accountability metrics for both direct and indirect recipients of funding and, in the case of the GHGRF, creating strong consumer protections for borrowers and utilizing a range of networks to share this information and offer needed technical assistance.

12:55pm **Discussion and Voting on Recommendations**

Facilitated by Mayor Satya Rhodes-Conway, LGAC Air & Climate Workgroup Chair

Jahi Wise, EPA's Acting Director of the Greenhouse Gas Reduction Fund, thanked the Committee for their recommendations. He requested hearing more about opportunities to leverage funds with existing programs, noting the range of programs funded by the federal government over the last twenty years.

Mayor Lucy Vinis highlighted the need to have flexible access to green banks, regardless of geographic location. She also spoke about the need to support the greening of housing with this investment.

Ann Mallek spoke about community solar, and the fact that Dominion Energy in Virginia was able to add fees for community solar that makes adoption cost prohibitive.

Mayor Rhodes-Conway recommended that EPA and HUD work together to develop guidance on creating affordable housing that is also sustainable.

A vote to approve the recommendations was approved.

1:15pm **Presentation of Recommendations: Lead and Copper Rule Improvements**

Gary Brown, America's Waters and Infrastructure Workgroup Vice-Chair

Gary provided an overview of the draft recommendations.

Flexibility: Local governments and utilities need flexibility when it comes to identifying and replacing lead service lines, determining the protocol for sampling water, and generating the flexibility needed for small systems that lack the capacity and resources to implement some of this work.

Funding: The LGAC recommends that EPA develop a model that considers the number of lines present and prioritizes municipalities that can quickly put programs into place while they develop full inventories. Related to funding is the issue of equity. The price of replacing pipes on private property will be very high, and there are differing opinions on how to pay for this. The bottom line is you cannot use utility rates or revenue to pay for it – we need a dedicated funding stream.

Customer engagement: We've been telling people for years that their water is safe. Now, we have to go out and explain that there's actually lead in the water, and we need to tear up your road and go into your home to replace pipes. I can't underestimate the amount of money, time, and smart communications that will be needed for that. If done improperly, you will lose the public's trust in the water utility.

Rule complexity and restrictiveness: There were some questions in the charge about increasing the restrictiveness or the federal level and about adding a "trigger level" to the lexicon of water safety. In general, we recommend that the rule be as simple and straightforward as possible. This includes either making the federal level more restrictive or adding a new trigger level, but not both. With any change in language and restrictiveness, utilities will need to invest money to manage communications with residents.

1:25pm **Discussion and Voting on Recommendations**

*Facilitated by Gary Brown, America's Waters and Infrastructure Workgroup Vice-Chair
Eric Burneson, EPA Office of Water*

Eric Burneson from EPA's Office of Water thanked the Committee for its recommendations. He highlighted the recommendation that challenges exist when infrastructure is owned by a mix of public and private individuals, and the need to access private property for effective removal. He also detailed some of the funding available for accomplishing this work, and a focus on funding work in disadvantaged communities.

Gary thanked everyone for their discussion. A vote to approve the recommendations was passed.

1:50pm **Public Comment**
Facilitated by Lisa Wong, LGAC Vice-Chair

Lisa invited members of the public to provide comment. There were no interested individuals.

1:55pm **Closing Remarks and Next Steps**

Lisa Wong, LGAC Vice-Chair, thanked everyone for their time and input, noting that the Executive Committee will work to finalize the draft recommendations over the next few days and send them to EPA so that EPA can be part of their deliberations in developing these programs.

2:00pm **Meeting Closed**

Paige Lieberman, Designated Federal Officer, thanked everyone for not just today's discussion, but for the work completed over the whole year. A meeting summary will be posted to the Committee's website in 30 days.
