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## ENERGY & ENVIRONMENT UPDATE October 7, 2013

### ENERGY AND CLIMATE DEBATE

As the clock struck midnight October 1, the United States entered a new fiscal year, and, without a budget, the federal government shut down. Congress worked through the weekend to pass a continuing resolution, but the stalemate seems no closer to being resolved. With the October 17 “x-day” of the debt ceiling approaching, debates over the two financial issues are beginning to merge, and pressure to come to an agreement has been mounting.

Energy and environment issues have taken a backseat to the continuing resolution and the impending debt ceiling limit, and some have expressed concerns about how the shutdown will impact the scheduled operations of the government, such as the release of the 2014 renewable fuel standard targets. Some agencies, like the Department of Defense, have been better able to weather the shutdown, but the energy and environment agencies—the Department of Energy, the Department of the Interior, and the Environmental Protection Agency—have been hit significantly.

Although much of the federal energy and environment agenda has slowed while Congress wrestles with funding questions, the Supreme Court began its new term today by releasing [a list](#) of the cases it will consider. The court denied hearing a case between the Environmental Protection Agency and Luminant Generation Company over the cross-state air pollution rule, or CSAPR. It accepted two other CSAPR cases—both involving EME Homer City Generation—and will hear arguments on December 10. It neither accepted nor denied cases involving Environmental Protection Agency greenhouse gas regulations. In this heated partisan climate, the court will continue to play a significant role in the regulatory process as the Environmental Protection Agency is sued by environmental and business groups over its proposed regulations.

Nominated in June to serve as the Federal Energy Regulatory Commission Chairman, Ron Binz withdrew his name from consideration on Tuesday. Binz had been viewed as too “anti-coal,” causing most of the Republican and some of the Democratic members of the Senate Energy and Natural Resources Committee to oppose his nomination. Replacement names that have been floated

include Arkansas Public Service Commission Chairman Colette Honorable and current Federal Energy Regulatory Commission members Cheryl LaFleur and John Norris.

Just prior to the release of our weekly note, the White House confirmed that Heather Zichal plans to depart in the next few weeks from her role as President Obama's chief energy and climate advisor. She will move to a non-government job, but her replacement has yet to be named.

## CONGRESS

### Oversight Hearing on Wind PTC

In an October 2 hearing, the House Oversight and Government Reform Subcommittee on Energy Policy, Health Care, and Entitlements examined the wind energy production tax credit, set to expire on December 31. Chairman James Lankford (R-OK) cited a Joint Committee on Taxation report he requested, which found that a five year extension of the credit would cost \$18.5 billion. American Wind Energy Association Senior Vice President of Public Policy Rob Gramlich advocated for a six year phase-out while Steyer-Taylor Center for Energy Policy and Finance Executive Director Dan Reicher proposed an eventual phase-out of the credit coupled with an extension of master limited partnerships and real estate investment trusts to renewable energy.

### Shaheen-Portman Meeting

Senate Energy and Natural Resources Chairman Ron Wyden (D-OR) and Ranking Member Lisa Murkowski (R-AK) held a meeting last week with members to discuss efforts to pass S. 1392, the Energy Savings and Industrial Competitiveness Act of 2013. Senators Rob Portman (R-OH) and Jeanne Shaheen (D-NH) and Representatives Cory Gardner (R-CO), Fred Upton (R-MI), Henry Waxman (D-CA), and Peter Welch (D-VT) participated.

### Bills Introduced

- On September 30, Senator Tom Harkin (D-IA) introduced [S. 1563](#), a bill to provide for the expansion of the biofuels market. The measure would create a renewable fuel pipeline loan guarantee program, make an ethanol pump installation grant program, and instruct the Energy Department to encourage the installation of at least one ethanol pump at every fueling station by 2022.

### Upcoming Hearings

- On October 8, the Senate Energy and Natural Resources Committee will hold a business meeting to consider the nominations of Michael Connor to serve as Deputy Secretary of the Interior and Elizabeth Robinson to serve as Under Secretary of Energy.
- On October 10, the House Energy and Commerce Subcommittee on Energy and Power will hold a forum on U.S. liquefied natural gas exports. Countries represented include the Czech Republic, Haiti, Hungary, India, Japan, Lithuania, Puerto Rico, Singapore, South Korea, and Thailand.
- The same day, the House Natural Resources Subcommittee on Energy and Mineral Resources will hold a hearing on the impact of Environmental Protection Agency regulations on the mining industry.

## ADMINISTRATION

### National Energy Action Month

A September 30 [presidential proclamation](#) deemed October 2013 National Energy Action Month. In the announcement, President Obama promoted domestic energy production, ending fossil fuel subsidies, energy efficiency, oil import reductions, and research and development.

### ITC Report on Global Renewable Energy

The U.S. International Trade Commission released September 30 a U.S. Trade Representative-requested report on renewable energy. It found that renewable energy global demand has grown dramatically over the past five years and that local, rather than international, requirements act as barriers to development. Global capacity grew to 653 GW in 2012, doubling since 2007, while global investment reached \$244 billion in 2012.

## DEPARTMENT OF AGRICULTURE

### New USDA Funding for Biorefineries

In an October 2 [notice](#), the Department of Agriculture announced the availability of \$76 million in carry over budget authority to the Biorefinery Assistance Program, which provides guaranteed loans for commercial-scale biorefinery construction and development and for retrofitting existing facilities for the development of advanced biofuels. The funding will support a program level of \$181 million for the new fiscal year, equating roughly to one new biorefinery. The agency will collect applications through January 30, 2014.

## DEPARTMENT OF ENERGY

### OIG Report on Hydrogen and Fuel Cell Programs

The Department of Energy Office of the Inspector General, in a September 27 [report](#), found that \$1 billion has been spent through the Hydrogen and Fuel Cells Program over the past few years and that an additional \$42 million has been spent on fuel cell deployment through the Recovery Act. The report recommended improved financial management.

### OIG Report on Energy Innovation Hubs

A September 27 [audit](#) of the Energy Innovation Hubs praised operations, raised issues with a lack of oversight of meeting and conference expenses, and noted that performance goals have been met within scheduled time frames. The Office of the Inspector General recommended better control of conference and meeting costs as well as improved conflict-of-interest recordkeeping.

### EFRC Funding Announced

The Department of Energy [announced](#) September 30 that it would provide \$100 million to support Energy Frontier Research Centers. Provided with five-year funding in 2009, the 46 centers designed to research energy production and use are now eligible to apply for a second round of funding. Award sizes are estimated to range between \$2 and \$4 million per year for five years. Letters of intent will be accepted through November 13, full applications are due January 9, and awards will be announced next June.

### Winter Energy Outlook Conference Postponed

The Department of Energy, the Energy Information Administration, and the National Association of State Energy Officials [announced](#) October 4 that the 2013 Winter Energy Outlook Conference had

been postponed to November 1 due to the government shutdown. The Energy Information Administration will release the Winter Fuels Outlook report October 8.

## **DEPARTMENT OF INTERIOR**

### **OIG Report on Offshore Renewable Energy Programs**

A September 30 Office of the Inspector General [report](#) on the Interior Department's offshore renewable energy programs found that the regulations are contradictory. The office recommended that regulations be finalized, that the Bureau of Ocean Energy Management and the Bureau of Safety and Environmental Enforcement work together on inspection protocols, and that regulatory oversight authority granted to the Bureau of Ocean Energy Management be reviewed because it might present a conflict of interest. The report urged the issues be addressed before the Cape Wind project begins construction.

### **Environmental Groups Send Letter on CA Fracking**

In an October 4 [letter](#) to the Bureau of Land Management, over a hundred environmental groups asked the federal government to maintain a moratorium on fracking in California until the bureau completes the environmental impact statement. Following a May court decision, the bureau stopped oil and gas lease sales through the end of the fiscal year and began an environmental impact statement on fracking on public land. The groups urged the bureau to extend the moratorium through the completion of the study.

## **DEPARTMENT OF JUSTICE**

### **DOJ Requests Oral Argument Delay for EPA Case**

The Department of Justice urged the U.S. Court of Appeals for the District of Columbia Circuit October 1 to delay oral arguments for a case between the Center for Biological Diversity and the Environmental Protection Agency. Oral arguments are scheduled to begin October 10 for the case, which involves secondary testing of sulfur oxide and nitrogen oxide air quality standards. The court denied the request.

## **DEPARTMENT OF STATE**

### **Kerry on Green Trade between U.S.-Pacific Region**

On his trip to Indonesia, Secretary of State John Kerry said October 5 that promoting trade to address environmental concerns and advance clean energy is a priority for him. He gave the example of solar panel tariff reductions as a way to promote green technologies and to address climate change.

## **DEPARTMENT OF TREASURY**

### **EV Credit Form Public Comment Period**

In an October 3 notice, the Internal Revenue Service announced it was seeking public comment on Form 8834, Qualified Electric Vehicle Credit. The agency said it was changing the form because tax credits for certain plug-in vehicles acquired after 2011 expired. Comments, due by December 2, should address ways to enhance the information collected, minimize the burden of collection, and provide capital and costs estimates.

## **ENVIRONMENTAL PROTECTION AGENCY**

### **SIP Revision Deadline Extended**

The Environmental Protection Agency and the Sierra Club reached a deadline extension agreement September 26 on state implementation plan revisions for industrial equipment startup, shutdown, and malfunction. The environmental group first petitioned the agency in 2011 over plans governing these events, and the agency released a proposed rule in February to require state implementation plan revisions. The agency will now have until May 15, 2014 to create a final rule for the 36 states.

### **Existing Plant Listening Sessions Scheduled**

On September 30 the Environmental Protection Agency [announced](#) 11 public listening sessions to hear from stakeholders on upcoming emissions standards for existing power plants. The agency said the comments collected at the events would help shape the rules, which are scheduled to be released next. The sessions will be held in Boston, Philadelphia, PA; New York City, NY; Atlanta, GA; Denver, CO; Lenexa, KS; San Francisco, CA; Washington, DC; Dallas, TX; Seattle, WA; and Chicago, IL.

### **District Judge to Release Coal Ash Order Soon**

U.S. District Court for the District of Columbia, in a September 30 order, said he would release summary judgment for a case on the Environmental Protection Agency's coal combustion residuals management regulation sometime this month. He also said he would likely order the agency to complete the rulemaking, but he did not hint at a timeframe for the process.

### **Mercedes-Benz Alternate Methodology Comment Period**

The Environmental Protection Agency opened a 30-day public comment period October 1 on a request by Mercedes-Benz to use alternate emissions demonstration methodology for vehicles made between model years 2012 and 2016. In 2010, the agency and the National Highway Traffic Safety Administration released a joint standard of a fleet wide average of 35.5 miles per gallon by 2016. The automobile company asked the agency to approve the methodology, which includes engine start-stop technologies, infrared glazing, and high-efficiency exterior lighting.

### **States Push Flexibility for Existing Plant Regulations**

Addressing the Carbon Forum North America 2013 on October 1, state officials advocated for state flexibility for upcoming Environmental Protection Agency greenhouse gas regulations for existing power plants. Delaware Secretary of Environment and Energy Collin O'Mara said states are at different stages in regulating emissions within their borders. California Public Utilities Commission Deputy Executive Director for Policy and External Relations Brian Turner said the agency should use successful state initiatives as models. Participants praised agency outreach on this rule and the recently released regulation for new power plants.

### **Court Denies Smelting Facility Rehearing**

An October 3 filing by the U.S. Court of Appeals for the District of Columbia Circuit denied a request to rehear a case between the Association of Battery Recyclers and the Environmental Protection Agency over smelting facilities emissions standards. In 2012, the agency revised standards for secondary lead smelting facilities. The court upheld the action in May.

### **Sierra Club, NRDC Suit on Nonattainment Designations**

In an October 3 filing in the U.S. Court of Appeals for the District of Columbia Circuit, the Sierra Club and the Natural Resources Defense Council sued the Environmental Protection Agency for failing to complete revised sulfur dioxide air quality standards nonattainment designations. The agency had

designated 29 areas violating the 2010 standard on August 5, but was waiting for additional air monitoring data to make further designations.

## **FEDERAL ENERGY REGULATORY COMMISSION**

### **CA Cities' FERC Challenge Oral Arguments**

The California cities of Anaheim, Azusa, Banning, Colton, and Riverside presented their oral arguments before the U.S. Court of Appeals for the District of Columbia Circuit last week in a case involving the Federal Energy Regulatory Commission. The cities requested the court overturn an agency order that required them to pay electric transmission constraint costs. In 2006, the commission ordered Southern California Edison Co. to pay constraint charges; a rehearing in 2007 resulted in the reversing of the order from a local spread to a zonal cost allocation.

## **NUCLEAR REGULATORY COMMISSION**

### **OIG Annual Report on NRC Challenges**

The Nuclear Regulatory Commission released the Office of the Inspector General's annual [report](#) on October 3, outlining the top management and performance challenges. The report breaks down the challenges into seven categories: nuclear materials oversight, security programs, processes to address a changing environment, high-level radioactive waste processes, information technology, financial management and procurement, and human capital.

### **NRC Shutdown Impacts**

In an October 4 [blog post](#), the Nuclear Regulatory Commission announced that it would begin furloughing employees in the later part of this week should the shutdown last until then. Of the 3,900 commission employees, 300 are considered to have "excepted" responsibilities, chiefly emergency response staff and resident inspectors.

### **CA Waste Confidence Meetings Cancelled.**

The Nuclear Regulatory Commission announced October 4 that it had cancelled two previously scheduled public meetings in California that were to focus on new waste confidence rules. The commission had scheduled 12 meetings between October 1 and November 14 on the rules; two were held last week in Rockville, MD and Denver, CO.

## **INTERNATIONAL**

### **ICAO 38<sup>th</sup> Session Yields Framework Plan**

The International Civil Aviation Organization held its 38<sup>th</sup> Assembly in Montreal September 24 through October 4. The general assembly approved a [plan](#) to set up a global framework to address the industry's impact on climate change within three years. The framework will be put in place by 2020. Some discussions had focused on a European Union proposal to allow countries to establish individual emissions trading regimes for flights to and from the area before the 2020 deadline, but the plan was not included.

### **Chinese Solar Manufacturing Tax Break Announced**

The Chinese Ministry of Finance announced September 29 that the country will offer tax breaks to solar manufacturers between October 1 and the end of 2015. Manufacturers will be refunded 50 percent of value-added taxes in an effort to address oversupply and diminished export demand. In July, the State Council called for an increase in installed solar capacity to 35 GW by December 2015.

### **China, UK Carbon Agreement**

As part of a September 30 joint statement signed by Governor of Guangdong Zhu Xiaodan and Energy Minister Greg Barker, China and the UK pledged to collaborate on low carbon architecture, develop clean energy, improve low carbon policies, and promote energy efficiency. Prior to signing the agreement, the two officials discussed climate change mitigation and low carbon economic development.

### **World Bank President on Climate Change Financing**

Addressing George Washington University on October 1, World Bank President Jim Yong Kim commented that he wants to devote a greater portion of financing to address climate change. He set the goals of at least 10,000 MW of added global capacity in three years and of energy subsidy reforms in at least 12 countries.

### **CDP Report on Canadian Public Disclosure**

An October 1 study by the Carbon Disclosure Project found that 115 of the 200 largest Canadian companies disclose carbon performances, up from 107 respondents last year. [Canada 200 Climate Change Report 2013](#) also found that the average disclosure score rose 18 percent since 2012. Scope 1 and Scope 2 greenhouse gas emissions rose 8 percent over the past year to 231 MT, but since the increase of companies that reported both years was only 3 percent, the increase is linked to companies reporting for the first time.

### **Power-Gen Asia Conference Held**

The Power-Gen Asia 2013 Conference was held October 2 in Bangkok, and participants praised shale gas for reducing emissions. James Muir of the Australian projects firm Sinclair Knight Merz said China could replicate the U.S.'s emissions reductions by moving from coal to shale gas. Mark Hutchinson IHS Energy Insight Consulting disagreed, saying it would be more difficult for Asia to adopt natural gas because it is more expensive there.

### **Forum on Chinese Air Pollutant Reduction Goals**

At the October 3 China Environment Forum, participants said they are optimistic China will meet its air pollutant reduction goals by 2020 because the central government appears to be committed to success. Following a September 12 Chinese Cabinet announcement on air quality, the council released 35 measures to reduce nitrogen oxide, sulfur dioxide, and fine particulate matter. Jeremy Schreifels of Tsinghua University commented that unlike the U.S. Environmental Protection Agency's approach, China would use regional economic benefits to ensure performance.

### **Forum on U.S.-EU Cooperation Focuses on Energy**

Addressing an Atlantic Council forum on October 3, former U.S. Ambassador to the European Union C. Boyden Gray commented that a free trade agreement between America and the union should be based on cooperation to align transportation fuel and emissions standards. He also said opening up the transportation sector to natural gas should be a priority. At the same event, American Council on Renewable Energy Vice President of Corporate Relations said agreements might be more easily achieved should they focus on transportation rather than electricity generation. He also said emissions can be cut by a variety of means, ranging from biofuels to electric vehicles.

### **Business Groups' Letter on NAFTA Cooperation**

An October 3 [letter](#) from the Business Roundtable, the Canadian Council of Chief Executives, and the Consejo Mexicano de Hombres de Negocios urged President Obama, Canadian Prime Minister Stephen Harper, and Mexican President Enrique Pena Nieto to address border systems, regulatory

cooperation, and energy security and sustainability. The letter noted that barriers to doing business exist between the three countries despite the North American Free Trade Agreement. The groups recommended improving energy project permitting processes and promoting North American renewable energy resources.

### **U.S. Does Not Comment on India WTO Claims**

The U.S., in an October 4 communication to World Trade Organization members, declined to comment on a question asked by India on how two Austin, TX solar energy programs and Michigan's Clean, Renewable, and Efficient Energy Act of 2008 comply with the World Trade Organization Agreement on Trade-Related Investment Measures. The communication explained how the Michigan program and the Residential Solar PV Rebate Program in Austin work, but did not address concerns raised by India on Article 2 compliance. The U.S. said Austin's second program, the Commercial Solar Photovoltaic Performance-Based Incentive Program, has removed a qualifications requirement on equipment manufactured or assembled in the service area.

## **STATES**

### **CA Energy Bills Signed into Law**

On September 28, California Governor Jerry Brown (D) signed three energy-related bills into law and vetoed a fourth. S.B. 43 creates a Green Tariff Shared Renewable Program to support customers purchasing electricity from renewable energy facilities through December 2018; S.B. 726 outlines conditions for the state to participate in the Western Climate Initiative; and A.B. 1126 creates standards for municipal solid waste to energy facilities. Governor Brown vetoed A.B. 527, a bill creating more transparency for California's participation in the Western Climate Initiative.

### **CO Lawsuit on Fracking Referendum**

Loveland, CO citizens filed a suit against the town in the Larimer County District Court on September 30, asking the court to require the city council to place a fracking moratorium measure on the November 5 ballot. The council voted 5-4 on September 3 to take no action on the proposed moratorium, therefore not making the ordinance a referendum. The group of citizens, Protect Our Loveland, had previously circulated a petition for a referendum and collected the required amount of signatures. A protest was filed, but an August 22 hearing rejected the protestors' argument.

### **NY Appeals Court Fracking Case Schedule**

The New York State Court of Appeals announced September 30 the schedule to submit briefs for two cases involving fracking. The cases question of whether state law preempts local regulations on fracking bans. Briefs will be accepted through December 16, and reply briefs must be submitted by January 6, 2014. Oral arguments will be held next May or June.

### **CARB Climate Change Plan Released**

The California Air Resources Board released [The Climate Change Scoping Plan](#) October 1. The report, which outlines the status of current state policies addressing climate change such as the renewable energy standard, is designed up update a similar report from 2008 that was used to implement the Global Warming Solutions Act of 2006. A public workshop has been scheduled for October 15 to discuss the draft plan.

### **CA-Quebec Cap-and-Trade Agreement Signed**

An [agreement](#) to finalize efforts to link the California and Quebec cap-and-trade programs was signed October 1. The two programs will, beginning in 2014, be able to trade allowances. Quebec Minister of Sustainable Development, Environment, Wildlife, and Parks Yves-Francois Blanchet said

the agreement will prove economically and environmentally beneficial, and California's Environmental Protection Agency Secretary Matthew Rodriguez said he hopes the model will be replicated globally.

### **IETA Voluntary Contract Released for CA Cap-and-Trade**

The International Emissions Trading Association published a [contract template](#) for the California cap-and-trade program October 2. The voluntary contract is designed to provide a standardized process for allowance trading. It will be updated regularly, and the next version will reflect the link between the California and the Quebec markets.

### **DC Council Passes Solar Bill**

The DC Council unanimously approved the Community Renewables Energy Act of 2013 October 1. The bill will allow for virtual net-metering so utility customers can purchase a percentage interest or subscription in a Community Renewable Energy Facility solar installation. The bill was designed to complement the District's renewable portfolio standard, which was established in 2011.

### **CA LCFS Rehearing Request**

In two separate October 2 petitions, ethanol, farming, and petroleum industries asked the U.S. Court of Appeals for the Ninth Circuit to hold an en banc rehearing of the California low-carbon fuel standard. On September 18, the court upheld the standard, and the groups said the decision discriminated against comparable fuels produced in other states, ignoring the Supreme Court precedent preventing states from regulating commerce in other states.

### **OR Alternative Fuel Legislation Takes Effect**

[S.B. 583](#), which establishes the Alternative Fuel Vehicle Revolving Fund, took effect in Oregon October 7. Enacted in August, the law creates an income tax credit for contributions to alternative fuel vehicles made between January 1, 2013 and January 1, 2015. The Department of Revenue will hold an auction of the credits, and auction proceeds will finance the revolving fund to convert existing diesel or gas vehicles into alternative fuel vehicles.

### **CA Natural Gas Research Forums Scheduled**

The California Energy Commission will hold a series of [workshops](#) on the use of natural gas in buildings. The events are designed to provide an overview of the status of existing research and to collect recommendations for a roadmap to improve natural gas energy efficiency. Two workshops will focus on commercial buildings and two others will address residential buildings.

## **SUSTAINABILITY**

### **New PRI Reporting Requirements**

New reporting requirements for Principles for Responsible Investment signatories went into effect October 1. The 1,200 investors and institutions will have until March 31, 2014 to submit responses about how they are assessing United Nations-backed environmental, social, and governance issues. PRI will create a confidential assessment report based on the data.

## **MISCELLANEOUS**

### **Report Opposes Upcoming EPA Cooling Systems Rule**

GRACE Communications Foundation, the Sierra Club, Riverkeeper, the Waterkeeper Alliance, and the River Network released [Treading Water: How States Can Minimize the Impact of Power Plants on Aquatic Life](#) October 2, finding that state governments are currently unprepared to establish strict

regulations for aquatic environments. The Environmental Protection Agency will finalize existing power plant cooling systems standards in November, but the study said the rule provides too much flexibility to the states.

### **API Poll on the RFS**

An October 2 American Petroleum Institute [poll](#) conducted by Harris Interactive found that 56 percent of respondents said they are very concerned about the impacts of ethanol blends above 10 percent on car engines. 69 percent said they believe ramping up ethanol production would increase food costs. In response to the poll, the Renewable Fuels Association said 73 percent of respondents support the Renewable Fuel Standard, according to a recent Fuels America poll.

### **Environment America Report on Fracking**

Environment America, in its October 3 study [Fracking by the Numbers: Key Impacts of Dirty Drilling at the State and National Level](#), reported that fracking technology has created 280 billion gallons of wastewater since 2012. It also found that the technology generates 450,000 MT air pollution each year. The report recommended an immediate moratorium on fracking.

### **Kemper to Miss May 2014 Deadline**

Mississippi Power Co. announced October 3 that the Kemper power plant, designed with commercial-scale carbon capture and storage technology, will not meet the May 2014 production deadline. Should the \$4.75 billion plant enter service later that year after the deadline, the company will have to repay \$133 million in federal tax credits.

### **Bloomberg, Paulson, Steyer Op-Ed**

New York City Mayor Michael Bloomberg (D), former Treasury Secretary Hank Paulson, and investor Tom Steyer published an [op-ed](#) in the Washington Post on October 3, advocating for climate-change risk assessment. They said that it is important to determine how much economic risk is associated with unmitigated global warming, and that risk management systems are central to informed decision-making. The trio is funding the study *Risky Business*, to be published in late 2014, that examines climate change's financial risks.

### **CAFE Standards Study**

[A Comparison of CAFE Standards and Actual CAFE Performance of New Light-Duty Vehicles](#), an October 3 report by the University of Michigan Transportation Research Institute, found that average vehicle fuel economy has risen 4.3 miles per gallon since 2008. Model year 2013 light-duty vehicles' average fuel economy is 29.8 mpg, exceeding the 29.7 mpg requirement set by the standards. The report said the CAFE performance will continue to be met or exceeded if improvement trends continue.

### **PJM Announces \$1.2 Billion in Upgrades**

PJM Interconnection LLC announced \$1.2 billion in upgrades to its Mid-Atlantic and Midwest system on October 3. President and CEO Terry Boston said that the upgrades will focus on addressing severe weather challenges and the shift from coal to natural gas. Its 62,556 miles of transmission lines cover DE, IL, IN, KY, MD, MI, NC, NJ, OH, PA, TN, VA, WV, and Washington, DC.

### **IPSO Annual Report on Oceans**

The International Programme on the State of the Ocean released its 2013 [report](#) on October 3, addressing chemical pollutants, global warming concerns, increased acidification, overfishing, and reduced oxygen content. The group advocated for urgent solutions to reduce the impacts of global warming and overfishing as well as to reduce CO2 emissions.