



## ML Strategies Update

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## Energy & Environment Update

### ENERGY AND CLIMATE DEBATE

The House and Senate have a full schedule between now and Memorial Day, with oversight of any Iran nuclear deal, a unified budget blueprint, the annual defense authorization, and spending bills dominating this week's agenda. Committees in both chambers have several energy and environment hearings on the docket, including the Quadrennial Energy Review, energy and water appropriations, Environmental Protection Agency regulatory delay, energy efficiency, fracking, ozone standards, and battery storage.

Senate Energy and Natural Resource Committee Ranking Member Maria Cantwell (D-WA) is leading the effort to address energy tax extenders by reinstating and extending a handful of expired clean energy tax credit, including potentially incorporating them into a broad energy bill she and Committee Chair Lisa Murkowski (R-AK) are discussing and even trading papers about. Her staff is discussing how to build on what then-Senator Max Baucus proposed last Congress on an industry neutral or performance based energy tax policy. Two of the Senate Finance Committee Working Groups, the Business Income Tax Working Group co-chaired by Senators John Thune (R-SD) and Senator Ben Cardin (D-MD), and the Community Development and Infrastructure Working Group, co-chaired by Senators Dean Heller (R-NV) and Michael Bennet (D-CO), are claiming jurisdiction over the energy portions of tax reform. With comprehensive tax reform increasingly unlikely before the 2016 election cycle, we turn to tax extenders, and Senator Cantwell is trying to find a way to remove the energy provisions from the discussion since they are the first to get picked on during the negotiations. Though the details are still being confirmed, the package may include a three to five year phaseout of the production tax credit, an extension of the investment tax credit that would reduce from 30 to 10 percent at the end of 2016, and an extension of master limited partnerships to renewable energy as well as fossil fuels. The tax reform working groups plan to convene in the first half of May to present the groups' agreements, with a final report submitted to Committee Chair Orrin Hatch (R-UT) and Ranking Member Ron Wyden (D-OR) by May 25. If comprehensive tax reform does not happen this year, addressing tax extenders is likely to be an end of the year exercise.

Congressmen, members of the Obama Administration, state and local officials, and industry representatives used last week's Earth Day celebration to announce several energy and environment efforts. See more details throughout the report below.

### CONGRESS

#### CERAweek Comments

During the IHS Energy CERAweek conference April 20, Senate Energy and Natural Resources Committee Chair Lisa Murkowski (R-AK) said that President Obama has the authority to approve a U.S.-Mexico crude oil swap, but said that passing related legislation would be difficult, though she remains hopeful that it is possible.

## Mini Efficiency Package

The House passed the Energy Efficiency Improvement Act of 2015 (S. 535) April 21. The Senate approved the legislation in late March. President Obama is expected to sign the measure into law in the coming days. The bill from Senators Rob Portman (R-OH) and Jeanne Shaheen (D-NH), creates a voluntary approach to encourage commercial building owners and tenants to reduce energy consumption, exempts certain electric resistance water heaters from Department of Energy regulations, and requires buildings leased by the government that are not Energy Star certified to chronicle their energy use. Senators Portman and Shaheen are pursuing broader energy efficiency legislation now.

## Energy and Water Approps

House Republicans unveiled April 14 draft fiscal year 2016 energy and water [appropriations legislation](#) that would provide \$35.4 billion for energy and water programs, \$1.2 billion above the fiscal year 2015 enacted level and \$633 million below President Obama's request. The package would provide \$28.9 billion for Department of Energy programs, including Yucca Mountain, but limiting or excluding funding for numerous renewable energy and climate programs in President Obama's budget request. The bill would reduce the Office of Energy Efficiency and Renewable Energy's budget by \$266 million, would fund most of the agency's clean energy research and development, at \$1.7 billion, would fund the Office of Fossil Energy Research and Development at \$605 million, a \$34 million increase over enacted levels, and \$936 million for nuclear energy research and development, a \$24 million increase over enacted levels. The House Appropriations Subcommittee on Energy and Water Development marked up and approved the measure April 15; the House Appropriations approved it on a voice vote April 22, and the House Rules Committee will consider it this week. White House Office of Management and Budget Director Shaun Donovan expressed in an April 21 letter to House Appropriations Committee Chair Hal Rogers (R-KY) the administration's serious concerns with the measure, but did not yet issue a veto threat.

## Ratepayer Protection Act

During a House Energy and Commerce Subcommittee on Energy and Power hearing April 14, Environmental Protection Agency Acting Assistant Administrator for Air and Radiation Janet McCabe [said](#) that Representative Ed Whitfield's (R-KY) draft Ratepayer Protection [Act](#), which would allow states to avoid complying with the Environmental Protection Agency's Clean Power Plan, would be an "unprecedented interference" in the agency's work. She called the draft legislation premature since the agency has not yet finalized the existing power plant standards. The legislation allows states to opt out of the rule if it would increase their utility rates or jeopardize reliability and allows states to postpone submitting their compliance plans until after all legal challenges to the proposed rules are exhausted. House Energy and Commerce Subcommittee on Energy and Power advanced the measure April 22, and Subcommittee Whitfield anticipates that the full committee will approve the legislation before the agency finalizes the rules this summer.

## Climate Agenda Intact

Senator Brian Schatz (D-HI) said April 23 that several Senate Democrats are working on broad climate change legislation, but that they are realistic about its chances for success in the Senate right now. He said that the group will continue to defend agency climate regulations in the meantime. He also urged Congress to stay out of international climate negotiations

## House Energy Bill

The House Energy and Commerce Committee released [draft legislation](#) April 23 to increase skilled workers in energy and manufacturing fields through increased training and education programs. The language is part of the broader energy bill committee Republicans are crafting. The committee will soon release sections of the comprehensive energy legislation relating to energy efficiency and the Strategic Petroleum Reserve, with a hearing to follow April 30.

## RFS Letter

Thirty seven senators sent a letter April 23 to Environmental Protection Agency Administrator Gina McCarthy urging the agency to increase the amount of biofuels required when it finalizes the renewable fuel standards later this year.

## Leasing Program Expansion Sought

Senate Energy and Natural Resources Committee Chair Lisa Murkowski (R-AK) was joined by 162 of her colleagues in sending a [letter](#) April 23 to Interior Secretary Sally Jewell asking the agency to increase the size of its proposed offshore oil and gas leasing plan. The agency released the draft plan earlier this year, proposing 14 lease sales from 2017 to 2022, the smallest number of potential lease sales in the program's history.

## Legislation Introduced

Representative Kathy Castor (D-FL) introduced legislation (H.R. 1895) April 20 to amend the Outer Continental Shelf Lands Act to prohibit oil and gas preleasing, leasing, and related activities in certain areas of the Outer

Continental Shelf off the Florida coast.

Senator Martin Heinrich (D-NM) introduced legislation (S. 1017) April 21 to amend the Federal Power Act to improve the siting of interstate electric transmission facilities. The measure may become part of Senate Energy and Natural Resources Committee Chair Lisa Murkowski's broader energy bill later this year.

Senator John Barrasso (R-WY) introduced legislation (S. 1026) April 21 to amend the Energy Independence and Security Act of 2007 to repeal Section 526, which prohibits Federal agencies from procuring alternative fuels unless the contract specifies that the life cycle greenhouse gas emissions of the fuel are no greater than the amount that conventional petroleum would produce.

Senator John Hoeven (R-NV) introduced legislation (S. 1029) April 21 to amend the Energy Policy and Conservation Act to prohibit the Secretary of Energy from prescribing a final rule amending the efficiency standards for residential non-weatherized gas furnaces or mobile home furnaces until an analysis has been completed.

Senator Chris Coons (D-DE) introduced legislation (S. 1033) April 21 to amend the Department of Energy Organization Act to replace the current requirement for a biennial energy policy plan with a Quadrennial Energy Policy Review.

Senator Bernie Sanders (I-VT) introduced legislation (S. 1041) April 22 to eliminate certain subsidies for fossil-fuel production. Representative Keith Ellison (D-MN) introduced a companion measure (H.R. 1930) in the House.

Senator Bob Menendez (D-NJ) introduced legislation (S. 1042) April 22 to amend the Outer Continental Shelf Lands Act to permanently prohibit the conduct of offshore drilling on the outer Continental Shelf in the Mid-Atlantic, South Atlantic, and North Atlantic planning areas. Representative Frank Pallone (D-NJ) introduced a companion measure in the House.

Senator Ed Markey (D-MA) introduced legislation (S. 1044) April 22 to enhance consumer access to electricity information and allow for the adoption of innovative products and services to help consumers manage their energy usage.

Senator Maria Cantwell (D-WA) introduced legislation (S. 1046) April 22 to accelerate the adoption of smart building technologies in the private sector and key Federal agencies.

Senator Lamar Alexander (R-TN) introduced legislation (S. 1047) April 22 to require the Secretary of Energy to review rulemaking proceedings of other Federal agencies for the potential to cause an adverse effect on the cost, time, or difficulty of complying with energy efficiency regulations, guidelines, or standards.

Senator Al Franken (D-MJ) introduced legislation (S. 1053) April 22 to amend the National Energy Conservation Policy Act to promote alternative fueled vehicle fleets and infrastructure.

Senator Jeanne Shaheen (D-NH) introduced legislation (S. 1054) April 22 to improve the productivity and energy efficiency of the manufacturing sector by directing the Secretary of Energy, in coordination with the National Academies and other appropriate Federal agencies, to develop a national smart manufacturing plan to provide assistance to small- and medium-sized manufacturers in implementing smart manufacturing program.

Senator Ron Wyden (D-OR) introduced legislation (S. 1057) April 22 to promote geothermal energy.

Representative Kenny Marchant (R-TX) introduced legislation (H.R. 1901) April 22 to phase out the production tax credit.

Representative Mark Amodei (R-NV) introduced legislation (H.R. 1937) April 22 to require the Secretary of the Interior and the Secretary of Agriculture to more efficiently develop domestic sources of the minerals and mineral materials of strategic and critical importance to United State economic and national security and manufacturing competitiveness.

Representative Rod Blum (R-IA) introduced legislation (H.R. 1944) April 22 to provide regulatory relief to alternative fuel producers and consumers.

Representative Lois Capps (D-CA) introduced legislation (H.R. 1951) April 22 to prohibit the use of fracking or acid

well stimulation treatment in the Pacific Outer Continental Shelf Region until the Secretary of the Interior prepares an environmental impact statement and conducts a study with respect to such practices.

Representative Lois Capps (D-CA) introduced legislation (H.R. 1952) April 22 to permanently prohibit oil and gas leasing off the coast of California.

Representative Ted Lieu (D-CA) introduced legislation (H.R. 1971) April 22 to reduce greenhouse gas emissions and protect the climate.

### **Upcoming Hearings**

The Senate Energy and Natural Resources Committee will hold a hearing April 28 on the Department of Energy's Quadrennial Energy Review. Energy Secretary Ernest Moniz will testify.

The House Rules Committee will hold a hearing April 28 to consider the fiscal year 2016 energy and water appropriations bill.

The House Energy and Commerce Committee will markup the Ratepayer Protection Act April 28-29.

The Senate Commerce Committee will hold a hearing April 29 to discuss the 2010 Deepwater Horizon disaster and improvements and challenges in prevention and response.

The Senate Appropriations Subcommittee on Interior, Environment, and Related Agencies will hold a hearing April 29 to discuss the Environmental Protection Agency's fiscal year 2016 budget request. Environmental Protection Agency Administrator Gina McCarthy and Acting Chief Financial Officer David Bloom will testify.

The House Natural Resources Subcommittee on Oversight and Investigations will hold a hearing April 29 titled "Zero Accountability: The Consequences of Politically Driven Science."

The Senate Energy and Natural Resources Committee will hold a hearing April 30 on energy efficiency legislation, including the Weatherization Enhancement and Local Energy Efficiency Investment and Accountability Act (S. 703), the Energy Savings and Industrial Competitiveness Act of 2015 (S. 720), and the Energy Savings Through Public-Private Partnerships Act of 2015 (S. 858).

The Senate Energy and Natural Resources Subcommittee on Public Lands, Forests, and Mining will hold a hearing April 30 to receive testimony on the Bureau of Land Management's final fracking rule.

The House Oversight and Government Reform Committee will hold a hearing April 30 on Environmental Protection Agency mismanagement.

The House Energy and Commerce Subcommittee on Energy and Power will hold a hearing April 30 on energy efficiency and draft legislation related to the Strategic Petroleum Reserve.

The House Science Subcommittee on Environment will hold a hearing April 30 on the impacts of the Environmental Protection Agency's ozone standards.

The House Science Subcommittee on Energy will hold a hearing May 1 on Innovations in Battery Storage for Renewable Energy.

## **ADMINISTRATION**

### **QER Release**

Vice President Joe Biden and Energy Secretary Ernest Moniz unveiled the [Quadrennial Energy Review](#) in Philadelphia April 21, during remarks about energy at the PECO building in City Center. The first installment of the review focuses on domestic energy transmission, storage, and distribution infrastructure, including pipelines, wires, storage, waterways, railways, and other energy system facilities. The report recommends that the United States invest in modernizing and updating its aging energy infrastructure to promote economic competitiveness, energy security, and environmental responsibility. The review is part of President Obama's 2013 climate action plan, in which he created a review task force comprised of 22 federal agencies to submit the assessment every four years. Coinciding with the review's release, the Department of Energy will create a partnership with 17 energy companies to improve infrastructure resilience against climate change and extreme weather, and the Department of Agriculture will invest \$72 million to support six new rural electric infrastructure projects, including solar energy and transmission line improvement investments.

### **Everglades Announcement**

During a visit to the Florida Everglades to mark Earth Day April 22, President Obama highlighted climate change impacts already harming the nation's iconic landscapes, and discussed [actions](#) the administration is taking to combat global warming. He said that the United States is committed to doubling the pace at which it reduces CO2 pollution, and urged the international community to come to a global agreement to address climate change in Paris later this year. He promoted the benefits of clean energy and energy efficiency, and the National Park Service and the U.S. Geological Survey released a report calculating the value national parks have in storing carbon and mitigating climate change. The report found that national parks in the lower 48 states store 14.8 MMT CO2 each year.

### **Climate Leadership**

President Obama released an [interview](#) with Bill Nye April 24 in which he said that although the United States has made significant progress in fighting environmental pollution through the Clean Air Act, the Clean Water Act, and other regulatory efforts, the international community must work together to finalize a global climate accord in Paris this December. He said that the United States' domestic action has encouraged other nations to make their own climate commitments, and that the country needs to continue leading the effort in order for the gains to remain meaningful.

### **Japanese Visit**

President Obama will host Japanese Prime Minister Shinzo Abe for an official visit this week in Washington. The two will commemorate April 28 the nearly 70 years since the end of World War II and discuss climate change, the Trans Pacific Partnership, Iran's nuclear activities, and other shared issues of concern.

## **DEPARTMENT OF AGRICULTURE**

### **Voluntary GHG Reductions**

Department of Agriculture Secretary Tom Vilsack announced April 23 [voluntary actions](#) in partnership with farmers, ranchers, and forestland owners to reduce net GHG emissions and support the president's goal of reducing emissions 26-28 percent below 2005 levels by 2025. The voluntary programs are aimed at reducing emissions by more than 120 MMT CO2e by 2025.

## **DEPARTMENT OF ENERGY**

### **Emissions/Economic Growth**

The Department of Energy's Energy Information Administration [announced](#) April 20 that U.S. energy related emissions of CO2 grew in 2014 for the second year in a row, but not by as much as the economy did. Emissions increased 0.7 percent last year, while gross domestic product grew 2.4 percent. Emissions historically move in patterns that reflect economic growth, but the lower 2014 increase demonstrates that efforts to curb emissions will not restrain economic expansion, and the world market demonstrated the same pattern.

### **Arctic Council**

During the IHS Energy CERAAweek conference April 21, Deputy Secretary of Energy Elizabeth Sherwood-Randall said that the United States government is taking an increasingly proactive approach to the Arctic, particularly since 2012 and as it assumed a two-year chairmanship of the Arctic Council during an April 24-25 meeting in Canada. President Obama has issued a national strategy, implementation plan, and executive steering committee for the Arctic. The United States has three goals during its chairmanship tenure: addressing climate change impacts in the region, stewardship of the Arctic Ocean, and improving the economic and living conditions of the people who live there.

### **CERAAweek Comments**

During the IHS Energy CERAAweek conference April 23, Energy Secretary Ernest Moniz said that industry has not presented a compelling economic case for lifting the U.S. ban on crude oil exports. He projected that U.S. exports of liquefied natural gas will be on par with Qatar within the decade. He declined to comment on the Keystone XL Pipeline project, but expressed his hope that the United Nations climate negotiations in Paris at the end of the year would be fruitful.

### **Economy-Wide Climate Program**

During a roundtable discussion hosted by the Christian Science Monitor April 27, Energy Secretary Ernest Moniz said that the United States should impose an economy-wide climate change program by the end of the decade.

## **DEPARTMENT OF INTERIOR**

### **CERAAweek Comments**

During the IHS Energy CERAAweek conference April 20, Interior Secretary Sally Jewell said that the agency's

proposed [fracking rules](#) are minimal baseline standards and could be a good starting point for states that do not have fracking regulations on the books. Federal oil drilling regulations are more than 30 years old, and the Bureau of Land Management leases in 32 states, half of which have some fracking standards. She also talked about the agency's proposed [five-year lease plan](#), proposed methane rules, and lessons learned from the Deepwater Horizon incident.

## DEPARTMENT OF STATE

### CERAAweek Comments

During the IHS Energy CERAAweek conference April 23, U.S. Special Envoy for Climate Change Todd Stern said that emerging market countries can combat climate change, create a sustainable, low-carbon growth path, and increase their access to energy, all while working to grow their economies and eradicate poverty.

### Stern Deputies

The Department of State confirmed April 24 that Environmental Defense Fund International Climate Program Managing Director Karen Florini joined the State Department as deputy special envoy for climate change April 6. She and Trigg Talley will be the two deputies under Todd Stern.

## ENVIRONMENTAL PROTECTION AGENCY

### WY NSPR Appeal

Wyoming filed a petition April 16 in the U.S. Court of Appeals for the Tenth Circuit to review the Environmental Protection Agency's disapproval of its revisions to nonattainment new source review permitting rules. The agency published its disapproval under Section 110 of the Clean Air Act February 20, finding that the state's revision does not create "unambiguous and enforceable obligations for sources."

### VOC Emissions Factor

The Environmental Protection Agency finalized April 20 [emissions factors](#) for volatile organic compounds from flaring operations at refineries and chemical manufacturing plants. The new value, 0.57 pound per million Btu, is about four times greater than the old value. The agency must finalize updates to national emissions standards for petroleum refineries by June 16.

### Ozone Implementation Rule

Speaking at the spring meeting of the Clean Air Act Advisory Committee April 22, Environmental Protection Agency Acting Assistant Administrator for the Office of Air and Radiation Janet McCabe said that the agency is unlikely to issue an ozone implementation rule with upcoming final national ozone standards. The agency must issue a final decision by October 1 on whether to revise or retain the current 75 ppb ozone standards, and is considering going to somewhere in the range of 65 or 70 ppb.

### SIP Submission Preparation

Speaking at the spring meeting of the Clean Air Act Advisory Committee April 22, Environmental Protection Agency Office of Air Quality Planning and Standards Air Quality Policy Division Associate Director Juan Santiago said that the ten agency regional offices will serve as the primary points of contact for states that submit state implementation plans under the Clean Power Plan. The agency is developing an online submission system for the plans, creating a training program for agency staff and state environmental officials, and identifying the staff assigned to process the plans.

### CERAAweek Comments

During the IHS Energy CERAAweek conference April 23, Environmental Protection Agency Administrator Gina McCarthy said that the agency's fracking review is forthcoming soon. She also said that the agency would extend the Clean Power Plan's 2020 interim deadline if necessary to protect grid reliability. The North American Electric Reliability Corporation asked the agency to delay the 2020 deadline to prevent blackouts earlier in the week.

### TX CERAAweek Comments

During the IHS Energy CERAAweek conference April 23, commissioners from the Public Utility Commission of Texas and the Texas Commission on Environmental Quality said that Texas has a strong track record of power sector regulations, but that the Environmental Protection Agency's Clean Power Plan interim goal is concerning. The commissioners charge that the interim target is unattainable.

## HFC Regs to OMB



The Environmental Protection Agency submitted April 24 its final rule to limit the use of some hydrofluorocarbons that have high global warming potential to the Office of Management and Budget for review. The rule is likely to alter the status of some HFC and HFC-containing blends currently listed as acceptable alternatives to ozone-depleting substances under the agency's significant new alternatives policy program.

### **Trucking Standards Litigation**

The U.S. Court of Appeals for the District of Columbia Circuit dismissed April 24 challenges to the Environmental Protection Agency and National Highway Traffic Safety Administration's greenhouse gas standards for medium- and heavy-duty trucks, finding that the petitioners lacked standing. The court ruled that the California Construction Trucking Association Inc., Delta Construction Co., and other trucking groups could not demonstrate that vacating the standards would significantly reduce truck prices.

## **FEDERAL ENERGY REGULATORY COMMISSION**

### **Reliability Standards**

The Federal Energy Regulatory Commission proposed two electric reliability standards and finalized two others April 22. Commissioners approved the Protection System, Automatic Reclosing and Sudden Pressure Relaying Maintenance Reliability Standard proposed rule and the Disturbing Monitoring and Reporting Requirements Reliability Standards proposed rule. The commission finalized the Communications Reliability Standards Final rule and the Real Power Balancing Control Performance Reliability Standard final rule.

### **Order No. 745**

The Supreme Court will decide April 24 whether to take up the Federal Energy Regulatory Commission's appeal over its demand response rule, Order No. 745, with an order to follow April 27. Should the court agree to hear the case, oral arguments would take place in the fall. The U.S. Court of Appeals for the District of Columbia Circuit vacated the rule last year.

## **Government Accountability Office**

### **Credit Subsidy Costs**

The Government Accountability Office released a [report](#) April 27 finding that the Department of Energy's loan guarantee program currently has \$2.21 billion in credit subsidy costs, a roughly \$500 million increase since 2008. The projected net cost of the loans and loan guarantees includes \$1.81 billion in loan guarantees as of last November. The Department of Energy is currently soliciting new applications for advanced fossil energy, nuclear, and renewable energy projects.

## **INTERNATIONAL**

### **Yukon Fracking**

Canada's Yukon territory announced April 15 that it would allow shale gas fracking in the Liard Basin if impacted aboriginal groups approve of lifting the three-year moratorium. Some groups strongly oppose the move, so the practical impact is uncertain.

### **Arctic Importance**

The National Research Council released a [booklet](#) April 17 outlining the importance of the Arctic for the rest of the globe. The report highlights melting ice poles as contributing to coastal sea level rise, changes in Arctic temperatures that could potentially be influencing weather patterns, and thawing permafrost that could worsen climate change as GHG emissions are released. United States Secretary of State John Kerry assumed chairmanship of the Arctic Council April 24-25 at a meeting in Canada.

### **Paris Success Possible**

During a University of Michigan Law School sustainability conference April 17, World Resources Institute International Climate Action Initiative Director David Waskow said that the United Nations summit in Paris at the end of the year has a good chance of succeeding, particularly because some countries are already taking steps that can serve as the basis for a larger agreement.

### **Chinese Solar**

China's National Energy Administration announced April 20 that the country has accelerated its solar energy buildout in the first quarter, adding 5 GW, or 18 percent to total capacity, more than in the first two quarters of last year combined. Chinese renewable energy investment priorities continue to drive the market in 2015.

### **Chinese Recycling**

China's State Council announced April 20 that sectors of the national economy, including agriculture, construction, and eventually mining, would be targeted under national program to encourage recycling and energy conservation. The circular economy initiative comes days after the council released an action plan to address water pollution and provide better water resource management. The plan will expand promote green building standard promotions and reinforcements, including reducing the consumption of energy, construction material, and water, and calls for 1 billion square meters in green building space to be developed by 2020.

### **Industry Role in Climate Accord**

During a World Resources Institute climate and energy forum April 21, speakers said that negotiators to the United Nations Framework Convention on Climate Change are still debating the role that private industry should play in securing a global climate change agreement at the end of the year in Paris. Companies and industry sectors are not formal parties to the talks, but envoys are discussing whether members of the private sector could have their voluntary pledges incorporated into the agreement. Secretary of State John Kerry and France's Climate Change Ambassador Laurence Tubiana, among others, are calling for private [industry](#) and local and state governments to offer their own pledges ahead of the end of the year talks.

### **CH4 Reductions**

The Environmental Defense Fund released a [report](#) April 21 finding that almost 3.6 trillion cubic feet of natural gas, valued at \$30 billion and amounting to emissions of to 1,680 MMT CO<sub>2</sub>e and three percent of global natural gas production, leaked into the atmosphere in 2012. The report recommends that countries consider cost-effective methane leak controls when they meet at the end of the year in Paris to negotiate a global climate accord.

### **CERAAweek Comments**

During the IHS Energy CERAAweek conference April 22, Australian Minister for Industry and Science Ian Macfarlane said that Australia and the United States are poised to be the world's leaders of liquefied natural gas exports. Australia is the largest LNG exporter, and the only producing country to have projects in construction with all three LNG types: conventional offshore gas with onshore LNG production, floating LNG production, and unconventional LNG production.

### **Chinese Climate Pledge**

China's special representative to the United Nations climate change negotiations, Gao Feng, said April 24 that China is prepared to reduce greenhouse gas emissions even if American Republicans have expressed doubt on the United States' ability to meet its greenhouse gas commitment and have encouraged the country to resist reductions until other highly emitting countries do the same. He reiterated President Xi Jinping's November joint global warming announcement with President Obama, but said that he hopes that neither President Obama's successor nor his opponents will undercut an international climate accord potentially forthcoming this year in Paris. He also said that China would submit its intended nationally determined contribution to the United Nations no later than June, and called for a balanced and inclusive accord.

## **STATES**

### **NE Hydro**

Nebraska Public Power District announced April 20 that it would switch coal for hydrogen at a power plant south of Lincoln. The experimental fuel source will reduce its overall carbon footprint by about ten percent. Saying that the forthcoming Environmental Protection Agency's Clean Power Plan was not the catalyst for action, Nebraska's largest utility CEO Pat Pope said that the project would create at least 100 new jobs and expand the life of the unit, thereby making economic sense.

### **NY REV Team**

New York's Reforming the Energy Vision team announced April 21 that Cheryl Martin, former Department of Energy ARPA-E acting director, will join New York State Department of Energy Research and Development. She will act as a conduit between utilities and private tech companies as they develop renewable energy and energy efficiency demonstration projects.

### **Grand Central Retrofit**

New York Power Authority Chair Gil Quinones and Metropolitan Transportation Authority Chair Thomas Prendergast announced April 21 the completion of a \$35 million energy retrofit of Grant Central Terminal. As a result of the retrofit, the station is now one of the most energy efficient transit hubs in the country. The retrofits are part of Governor Andrew Cuomo's (D) Build Smart New York program and are expected to reduce the station's GHG emissions by 11,200 MT a year.

### **RGGI Proceeds**



The Regional Greenhouse Gas Initiative [announced](#) April 21 that it raised \$1 billion for participating states over five years, from 2008-2013, from the auction of CO2 emissions allowances. The report projects that the program will provide \$2.9 billion in lifetime energy bill savings to 3.7 million households and 17,800 businesses, save 11.5 million MWh of electricity, and reduce CO2 emissions by 10 MMT. Most of the \$1 billion raised from the quarterly auctions has been used for energy efficiency, renewable energy, and direct bill assistance programs.

### **OK Earthquakes**

The Oklahoma Geological Survey released a [statement](#) April 21 concluding that underground injection of wastewater from oil and gas activities is the most likely source of an approximately 600-fold increase in earthquakes since 2008 compared to the historical rate of quake events. The state recorded about 1.5 earthquakes of greater than three in magnitude a year through 2008, but the rate has increased to 2.5 a day since then.

### **Earth Day Announcements**

Governors across the country celebrated Earth Day April 22 by promoting state energy and environment efforts and highlighting their green agendas. Governor Terry Branstad (R-IA) declared a soil and water conservation week. Governor Charlie Baker (R-MA) unveiled a statewide LED initiative. Governor Dannel Malloy (D-CT) signed an executive order creating a council to ensure that the state is on a path to meeting its greenhouse gas emissions goals. Governor Jay Inslee (D-WA) called on the legislature to address oil train safety and update clean water regulations, a toxics bill, and CO2 emissions. Governor Maggie Hassan (D-NH) signed a proclamation stating that greenhouse gas emissions and other human-induced pollutants are key contributors to climate change and urged citizens and businesses to address climate change in the state. Governor Jerry Brown (D-CA) issued a proclamation declaring April 22 as Earth Day and outlining climate change impacts. Governor Chris Christie (R-NJ) reiterated the state's position as a national environmental leader. Governor Peter Shumlin (D-VT) expanded the Heat Saver Loan program. Governor Gina Raimondo (D-RI) awarded \$3.3 million in grants for 23 local water quality protection and restoration projects. Governor Susana Martinez (R-NM) participated in the first Governor's Environmental Excellence Award.

### **CA Electric Rates**

The California Public Utilities Commission announced April 23 that it is considering whether to overhaul how most residential customers pay for power by switching to time-of-use electricity rates. The commission is completing a three year review of rate reforms for the state's largest investor-owned utilities: Pacific Gas and Electric, San Diego Gas and Electric, and Southern California Edison.

### **MI RE**

Michigan Democrats introduced legislation April 23 to double the state's efficiency and renewable energy standards by 2022. In the meantime, Michigan Republicans are considering abandoning the state's 2008 renewable energy standard and moving to an Integrated Resource Plan process instead.

### **NE Energy Pledge**

The governors of Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont released a [joint statement](#) April 23 pledging their commitment to developing a regional energy [strategy](#), including investing in a new natural gas infrastructure and continuing to integrate clean energy resources.

### **NY-Canadian Hydro**

The U.S. Army Corps of Engineers approved last week the Champlain Hudson Power Express, which will allow developers to connect New York City to 1,000 MW of renewable Canadian hydropower. The \$2.2 billion line will run 333 miles through Lake Champlain and down the Hudson River, and developers hope to move forward with the line at the end of the year or early next year.

## **SUSTAINABILITY**

### **Sustainability Assessment**

The Law Firm Sustainability Network launched its [American Legal Industry Sustainability Standard](#) April 20. The standard will guide national firms to higher energy efficiency, recycling, resource conservation, and waste reduction benchmarks.

### **Wastewater to Geothermal**

Oil companies such as Continental Resources Inc. and the MOP Group announced last week that they are experimenting with turning their fracking wastewater into geothermal power. For every barrel of oil produced from a well, another seven barrels of hot water are produced.

## MISCELLANEOUS

### Climate Unpreparedness Risks

The Carbon Tracker Initiative and Energy Transition Advisors released the Blueprint report April 23 concluding that oil and natural gas companies that fail to consider the risks of a warming planet and more inexpensive fossil fuels are jeopardizing shareholder value.

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