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# ENERGY AND ENVIRONMENT UPDATE July 15, 2013

# **ENERGY AND CLIMATE DEBATE**

The House took the lead on energy issues last week. On Wednesday, the House approved H.R. 2609, the FY14 Energy and Water Appropriations bill; the package includes \$30.4 billion in funding, including \$24.6 billion for the Department of Energy. However, as the \$34.8 billion Senate version allocates \$28.2 billion for the Department of Energy, a conference is needed to reconcile the two bills. The next day, the House approved H.R. 2642, the Federal Agriculture Reform and Risk Management Act of 2013. A conference committee is also needed for this bill as there are many differences between the House and Senate versions, namely an energy title present in the Senate bill but lacking in the House version. More detailed discussions on the two bills are below.

The Obama Administration focused on China last week, as the fifth round of the U.S.-China Strategic and Economic Dialogue were held on Wednesday and Thursday. Five joint initiatives to reduce carbon emissions came out of the meeting. Please see below for more information on the dialogue.

On Thursday, Senate Majority Leader Harry Reid (D-NV) set the stage for a contentious fight over nominations by filing cloture on seven presidential nominations including Gina McCarthy for Environmental Protection Agency Administrator, Thomas Perez for Secretary of Labor, and Fred Hochberg for President of the Export-Import Bank. The nominations could be voted upon as early as tomorrow.

Also this week, Senator-elect Ed Markey will be sworn in on Tuesday, and the House Democratic Steering and Policy Committee will vote Wednesday to determine his replacement as Ranking Member of the House Natural Resources Committee. A caucus-wide vote will follow. Representatives Peter DeFazio (D-OR) and Raul Grijalva (D-AZ) are the top candidates for the job. Additionally, the House will consider H.R. 2218, the Coal Residuals Reuse and Management Act.

## **CONGRESS**

### **Zichal Meets with Senators**

Roughly a dozen senators including Senators Tammy Baldwin (D-WI), Barbara Boxer (D-CA), Tom Carper (D-DE), Chris Murphy (D-CT), Shelton Whitehouse (D-RI), and Ron Wyden (D-OR) met with Deputy Assistant to the President for Energy and Climate Change Heather Zichal on July 9. Several energy issues were on the agenda, but the group did not discuss Gina McCarthy's nomination. Following the meeting, Senator Carper said that the Environmental Protection Agency's proposed rule for power plant GHG emissions will distinguish between coal- and natural gas-fired plants.

## House Hearing on Coal, Global Climate Efforts

At a July 9 House Natural Resources Subcommittee on Energy and Mineral Resources hearing on Powder River Basin coal mining, committee Republicans said climate change action is a worldwide issue and must be addressed globally. They said that while the U.S. has curbed many coal-related emissions, China and India have promoted coal-fired power plants.

# House E&C Republicans Send EPA Letter

House Energy and Commerce Chairman Fred Upton (R-MI) led a <u>letter</u> to Acting Environmental Protection Agency Administrator Bob Perciasepe June 9 regarding the agency's use of economic models and studies when considering proposed regulations. The letter questions why the agency has not consistently used economy-wide modeling tools that are available to the agency, especially with regard to Clean Air Act rulemakings.

## **Baucus Climate Change Letter to Obama**

Senator Max Baucus (D-MT) asked President Obama in a July 9 <u>letter</u> to consider the effect of climate change on Montana and to look to the state as an inspiration for how to manage climate change. He outlined fifteen suggestions for the administration, including approving the Keystone XL pipeline, funding carbon sequestration projects, adding barley to the list of approved sources of renewable fuels, supporting retrofitting non-power generating dams with turbines, and supporting the SAFE Act and the Water Resource Development Act.

## Senators Urge DOE to Approve LNG Exports

A bipartisan group of 34 senators sent a <u>letter</u> July 9 to Energy Secretary Ernest Moniz urging the department to approve the nearly two dozen pending applications for facilities to export liquefied natural gas. The cosigners, led by Senators Mark Begich (D-AK) and James Inhofe (R-OK), also recommended that the department consider multiple applications at once and give priority to projects proven to be commercially viable.

## Waxman, Whitehouse Letter to State Department

Representative Henry Waxman (D-CA) and Senator Sheldon Whitehouse (D-RI) sent a <u>letter</u> to Assistant Secretary of State Kerri-Ann Jones on July 10, calling on the department to better analyze the climate impacts of the Keystone XL pipeline. The letter listed a number of flaws the two found with the study, including flaws in the market analysis of the oil sands industry, a "flawed and uncertain" alternative scenario analysis, minimization of the pipeline's effect on transportation, and overall conclusions that conflict with opinions made by experts.

## House E&C Subcommittee Advances Three Bills

The House Energy and Commerce Subcommittee on Energy and Power approved three energyrelated bills on July 10. The Energy Consumers Relief Act (H.R. 1582), which prevents the Environmental Protection Agency from finalizing new rules that cost more than \$1 billion if the Department of Energy determines they will hurt the economy, passed by a 17-10 party-line vote. The National Gas Pipeline Permitting Reform Act (H.R. 1900), which expedites federal

rulemaking on natural gas infrastructure, was approved by a nearly-party-line vote. Finally, H.R. 83, legislation requiring the Interior Secretary to assemble a team of experts to examine how the U.S. can replace foreign fossil fuels with indigenous clean energy resources, was approved.

### Future of Shaheen-Portman

Senator Jeanne Shaheen (D-NH) said July 10 that S. 761, the Energy Savings and Industrial Competitiveness Act of 2013, will soon be considered by the full Senate. She identified the plethora of amendments that will be considered as the main challenge. Energy aide to Senator Rob Portman (R-OH) Steve Kittredge said the Senate may take a full week to consider the bill.

## **House Passes Energy Appropriations**

The House of Representatives approved H.R. 2609, the FY14 Energy and Water Appropriations bill, 227-198 on July 10. The \$30.4 billion bill allocates \$24.6 billion to the Department of Energy compared to the \$34.8 billion Senate version, which provides \$28.2 billion to the agency. The House version combines the Office of Energy Efficiency and Renewable Energy with the Office of Electricity Delivery and Reliability, funding the combined office at \$983 million; in comparison, the Senate version provides \$2.3 billion to EERE and \$149 million to the Office of Electricity Delivery and Reliability. ARPA-E was allocated \$70 million. During consideration, the House approved amendments to prevent the agency from enforcing light bulb and ceiling fan efficiency standards

### **House Passes Farm Bill**

The House passed H.R. 2642, the Federal Agriculture Reform and Risk Management Act of 2013, on July 11. The Republican bill differs from H.R. 1947, introduced by House Agriculture Chairman Frank Lucas (R-OK) and Ranking Member Collin Peterson (D-MN), as it stripped nutrition program language. It also differs from the Senate version passed June 10. Senate Agriculture Chairman Debbie Stabenow (D-MI) insists that the nutrition title be included in the conference report. Doing so would make House passage of the final package more difficult.

## Final House E&C RFS White Paper Released

The House Energy and Commerce Committee published its fifth and final <u>white paper</u> on the Renewable Fuel Standard July 11. The paper focuses on Environmental Protection Agency implementation issues, asking stakeholders to comment on issues ranging from renewable identification numbers to volume obligations. Comments will be accepted through July 26.

### **SEEC Letter to President**

The House Sustainable Energy and Environment Coalition sent a <u>letter</u> to President Obama July 12, urging quick action on climate change. The letter praised combined heat and power technology, fuel efficiency efforts, protections against carbon pollution, and renewable energy on public lands.

### Wyden on Natural Gas

Senate Energy and Natural Resources Chairman Ron Wyden (D-OR) announced July 13 that the committee will release a natural gas policy proposal soon. He identified methane gas emissions as an issue he hopes the policy will address. The committee previously held forums on natural gas issues ranging from exports to infrastructure.

### Safe Climate Caucus Floor Debate Letter Sent

Representative Henry Waxman (D-CA) led a July 15 Safe Climate Caucus <u>letter</u> to Speaker of the House John Boehner (R-OH), requesting a floor debate on the science of climate change. Cosigned by 21 Democrats, the letter referenced President Obama's climate change strategy announcement, saying the plan will help the country avoid the worst consequences.

## **Bills Introduced**

- On July 10, Senators Lisa Murkowski (R-AK), Mary Landrieu (D-LA), Mark Begich (D-AK), and Heidi Heitkamp (D-ND) introduced <u>S. 1273</u>, the Fixing America's Inequities with Revenues (FAIR) Act. The bill, revised from its March version, would require the Department of Treasury to give 37.5 percent of federal offshore energy development revenues to coastal states.
- The same day, Representative Tom Marino (R-PA) and six cosponsors introduced <u>H.R. 2641</u>, the Responsibly and Professionally Invigorating Development (RAPID) Act of 2013. The bill would provide for improved coordination between agencies in the preparation and adoption of environmental documents for permitting determinations.
- On June 11, Representative Jerry McNerney (D-CA) and Matt Cartwright (D-PA) introduced <u>H.R. 2685</u>, the Smart Grid Advancement Act of 2013. The bill would incorporate the smart grid into the Energy Star Program.

## **Upcoming Hearings**

- On July 16, the Senate Energy and Natural Resources Committee will hold a hearing to examine how U.S. gasoline and fuel prices have been impacted by the domestic oil production boom.
- The House Energy and Commerce Committee will markup H.R. 1582, the Energy Consumers Relief Act, and H.R. 1900, the Natural Gas Pipeline Permitting Reform Act, July 16-17.
- On July 17, Interior Secretary Sally Jewell will testify before the House Natural Resources Committee on agency operations, management, and rulemaking.
- On July 18, the Senate Energy and Natural Resources will hold a hearing to examine the state of clean energy financing and opportunities to increase investment for domestic technology development and deployment.
- The same day, the Senate Environment and Public Works Committee will hold a hearing on climate change.
- The same day, the House Oversight and Government Reform Subcommittee on Energy Policy, Health Care, and Entitlements will hold a hearing to examine the social cost of carbon estimates.
- The same day, the House Small Business Subcommittee on Agriculture, Energy, and Trade will hold a hearing to study how President Obama's climate action strategy will impact small businesses.

# **ADMINISTRATION**

## WH Opposes House FY14 Energy Appropriations Bill

The White House released a <u>statement of administrative policy</u> July 8, announcing strong opposition to H.R. 2609, the FY14 Energy and Water Appropriations bill. In particular, the administration opposes budget cuts to the Department of Energy ARPA-E, National Nuclear Safety Administration, Office of Science, and renewable energy spending. The White House also opposes funding for the Yucca Mountain nuclear waste repository proposal.

## U.S.-China Strategic and Economic Dialogue Held

The fifth round of the U.S.-China Strategic and Economic Dialogue was held July 10 and 11 in Washington, DC. The two countries agreed to five joint initiatives to reduce carbon emissions: advancing carbon capture and sequestration technology, improving greenhouse gas data collection, increasing building and transportation energy efficiency, promoting smart grids, and reducing

heavy-duty vehicle emissions. Participants indicated that they are gearing up to create a global climate change treaty by 2015. Secretary of State John Kerry, Secretary of the Treasury Jacob Lew, Chinese Vice Premier Wang Yang, and Chinese State Counselor Yang Jiechi co-chaired the meeting.

# **DEPARTEMNT OF AGRICULTURE**

### **ANPR for RUS Financing Programs**

Acting Agriculture Undersecretary for Rural Development Doug O'Brien announced July 9 an advanced notice of proposed rulemaking to request public comment on expanding renewable energy and project financing programs through the Rural Utilities Service. It is considering regulatory reforms to improve its ability to finance renewable electric infrastructure projects. The department held two town hall meetings to discuss the future proposed rulemaking that same day.

### 8 BioPreferred Categories Added

The U.S. Department of Agriculture announced July 11 the addition of eight product categories to the BioPreferred Program, which lists preferred products for procurements over \$10,000, bringing the total number of acceptable categories up to 97. The categories, ranging from gasoline fuel additives to paint removers, had previously been published on June 11.

## **DEPARTEMNT OF ENERGY**

### Fossil Energy Loan Guarantee Draft Solicitation Published

The Department of Energy published July 9 a <u>draft solicitation</u> for fossil energy loan guarantees as part of the 1703 loan guarantee program. \$8 billion will be made available, and eligibility requirements have been expanded from the 2008 solicitation.

## Federal Building Efficiency Standards Updated

The Department of Energy updated federally-owned commercial and residential building energy efficiency standards on July 9 to reflect the 2010 version of the voluntary American Society of Heating, Refrigerating, and Air-Conditioning Engineers Standard 90.1. New federal buildings built after July 9, 2014 must achieve the updated ASHRAE baseline, and should exceed the baseline level by at least 30 percent if it is cost-effective over the building's lifecycle. This updated standard is expected to save 12.2 percent more source energy, reduce emissions, and provide long-term cost savings.

## **Climate Trends Impact on Energy Sector Report**

The Department of Energy released its report <u>U.S. Energy Sector Vulnerabilities to Climate Change</u> <u>and Extreme Weather</u> July 11, examining current and future impacts of climate change trends on the U.S. energy sector. The agency posted an interactive <u>map</u> showing how three extreme climate trends have caused major issues to the energy sector across the country over the past decade.

### **McCormick Leaves Department**

Senior Advisor for Research and Development in the Office of the Energy Undersecretary Colin McCormick departed the agency on July 12. He had worked at the Department of Energy for four years, both in the Office of the Undersecretary and in the Office of Energy Efficiency and Renewable Energy. McCormick will join the Global Green Growth Institute's London office.

## **Computers, Computer Servers as Covered Products**

The Department of Energy published two proposed rules on July 12 to expand efficiency jurisdiction. The first <u>rule</u> allows computers to be considered a covered product under the Energy

Policy and Conservation Act while the <u>second</u> gives the same consideration to computer servers. Public comments will be accepted through August 12.

### **DEPARTEMNT OF TREASURY**

### **IRS Public Comment for Alternative Fuel Excise Tax Credits**

The IRS published a <u>notice</u> July 9 requesting public comments on a proposed rule for excise tax credits for alternative fuel mixtures. The comments should address the accuracy of agency work, cost estimates for stakeholders, practical utility of the rule, and ways to enhance information. Comments will be accepted through September 9.

### **ENVIRONMENTAL PROTECTION AGENCY**

#### **Certain Air Toxics Standards Compliance Extended**

The Environmental Protection Agency announced in a July 11 <u>memo</u> that it is considering extending compliance deadlines by one year for air toxics standards for reciprocating internal combustion engines. The agency said amendments were published less than 120 days before the original May 3 compliance date. Owners may file extension requests if they wish to install pollution controls to allow an engine to run for more than 50 hours per year in non-emergency situations.

### **BART Extension for Four Corners Plant**

The Environmental Protection Agency proposed on July 11 extending the selection deadline for the best available retrofit technology for the Four Corners Power Plant. The coal-fired power plant, which originally had until July 1 to select a technology to reduce nitrogen oxide emissions, will have until December 31 to decide between complying with an original determination or with an alternative pollution control.

#### **Court Strikes Down Biomass Plant Exemption**

The U.S. Court of Appeals for the District of Columbia Circuit struck down July 12 an Environmental Protection Agency rule exempting certain biomass plants from Clean Air Act greenhouse gas emissions permits. Saying that the Clean Air Act does not distinguish between fuel sources, the court determined that these plants must obtain prevention of significant deterioration and Title V operating permits. The Center for Biological Diversity had sued the agency 2011 over the deferral.

#### **Court Upholds Sulfur Dioxide Emissions Rule**

The U.S. Court of Appeals for the Third Circuit upheld an Environmental Protection Agency decision to limit sulfur dioxide emissions from the coal-fired Portland Generating Station in Pennsylvania, saying the agency had the authority under the Clean Air Act to act. New Jersey, a downwind state, requested the agency to intervene because the plant was preventing the state from meeting national ambient air quality standards; the agency issued a final rule to restrict emissions from the plant. The plant owner, GenOn, recently announced it will shut down the plant in 2014.

### FEDERAL ENERGY REGULATORY COMMISSION

#### **Order No. 1000 Deadline Passes**

The deadline for Federal Energy Regulatory Commission Order 1000 compliance filings was July 10, and electric utilities submitted information on improving cooperation between regions. The filings will now undergo a review process for several months before being included in open-access transmission tariffs.

# **INTERNATIONAL**

### Mexican Renewable Energy Council Established

The Mexican Energy Secretariat announced July 5 the creation of the Renewable Energy Council, designed to pursue eight strategic initiatives in order to meet the goal of producing 35 percent of the country's electricity from clean energy sources by 2024. Initiatives include encouraging the state electricity company to purchase more renewable power from producers, improving the transmission and distribution of renewable energy through the electricity grid, developing renewable generation technology, and revising the regulatory framework. Eight working groups comprised of representatives from the public sector, industries, and environmental organizations will begin working within two weeks to develop recommendations on how to implement the initiatives.

### Canada to Review 6th LNG Export Proposal

Canada's National Energy Board announced June 8 that it will conduct an environmental review for an LNG export terminal application filed by the Malaysian state-owned oil company PETRONAS. The terminal, if approved, would export 19.68 MMT of LNG to Asia each year for 25 years and could cost up to \$20 billion to construct. This is the sixth application the NEB has received to build an LNG export terminal off the coast of British Columbia.

### **Russia Increases Fines for Pollution**

Russian President Vladimir Putin signed July 8 new rules to drastically increase the financial penalties for breaking national air and water pollution laws. Applicable to businesses, sole proprietors, organizations, legal entities, and responsible officials within legal entities, the new rules, which can apply are meant to encourage transition to cleaner technologies. The higher fines follow recommendations from the OECD that Russia increase sanctions to reduce illegal pollution as part of its admittance to the organization.

## **G-20 Economic Forum Held**

The Group of Twenty countries held an economic forum July 8 focused on designing sustainable energy policies to be contributed to the G-20 Energy Working Group in preparation for the Summit in St. Petersburg this September. They discussed establishing a voluntary peer-review process to encourage transparency and reform of fossil fuel subsidies. In addition, they discussed opening an Internet platform to track various governments' policies accident prevention and preparedness in order to protect marine environments from oil spills and shipping accidents.

### **Rechargeable Battery Association on UN Lithium Ion Regulations**

Executive Director of the Rechargeable Battery Association George Kerchner stated July 8 that the lithium battery industry would not be opposed to incorporating a lithium battery handling label into the U.N. Model Regulations, which set international standards for developing harmonized hazardous materials transport regulations. The industry would support a similar or improved label already required under the International Civil Aviation Organization (ICAO) Technical Instructions. However, he noted that the industry is not happy about the possible reclassification of lithium batters by ICAO and that they will continue to push the U.N. Subcommittee of Experts on the Transport of Dangerous Goods to consider a proposal to remove certain documentation requirements for lithium battery shipments.

### **UN Political Forum on Sustainable Development Created**

The U.N. announced July 9 that it will replace the Commission on Sustainable Development with a new forum to address economic, environmental, and social issues. The Political Forum on Sustainable Development came out of a recommendation from the Rio+20 Conference in 2012 as a way to improve global sustainable development. It will meet every four years to create political declarations and will meet annually to align global efforts.

# South Korea Carbon Tax Proposed

29 South Korean politicians proposed in the National Assembly July 10 a bill to create a carbon tax on coal, electricity, natural gas, oil, and petrochemical fuels. The proposed tax is 59 cents per liter of gasoline, 84 cents per liter of heavy fuel oil, and 12 cents per kilowatt-hour of electricity.

## NATO Efforts to Reduce Defense Energy Consumption

NATO Assistant Secretary General for Emerging Security Challenges Gábor Iklódy announced July 11 that member nations are reducing defense operation energy consumption. The organization identified energy security as a major issue because energy supply security and climate change consequences pose threats to nations. The Smart Energy Team was established to find more energy efficient solutions for defense operations.

# EU Votes to Cap Use of Some Biofuels

The European Parliament environmental committee voted July 11 to limit the amount of foodbased biofuels used to power automobiles to 5.5 percent of total fuel consumption. The change is in response to concerns that the use of food-based biofuels increases food prices and has limited environmental benefits. The measure will come before the full European Parliament in September.

## EU Panel Wants Assessments for all Shale Gas Operations

The European Parliament's Environmental Committee voted July 11 to require that all shale gas operations in the EU undergo environmental impact assessments. The change was included as part of a revised EIA Directive, which must be ratified by the full European Parliament and finalized by the Council of the European Union. The European Parliament will most likely vote on the draft directive proposal in either September or October.

# **STATES**

## **Court Rejects EPA Suit on IL Plants**

The U.S. Court of Appeals for the Seventh Circuit upheld on June 8 an earlier district court decision to reject Environmental Protection Agency claims that Illinois power company Midwest Generation violated the Clean Air Act by not fitting purchased power plants with new pollution control equipment when conducting other renovations. The district court held that Clean Air Act liabilities do not transfer to new owners when a facility is sold.

## NY RGGI Updates Announced

New York Governor Andrew Cuomo (D) announced July 11 proposed regulations updating the state's participation in the Regional Greenhouse Gas Initiative program. The changes include lowering the carbon dioxide emissions cap by 45 percent. The comment period will be open through September 9; three public hearings will be held in August. The final rule will go into effect January 2014.

## **ECOS Conference Addresses Methane Leaks**

The Environmental Council of States held a conference July 11, and participants advocated for better regulation of methane emissions from fracking practices and natural gas infrastructure. Environmentalists and stakeholders also promoted more research to find the leaks.

# **SUSTAINABILITY**

### Sustainability Reporting Study Released

The Conference Board released its report *Sustainability Practices: 2013 Edition* on July 10, saying that there is significant room for improvement in sustainability reporting by U.S. companies. The report found that European companies led disclosure rates at 27 percent for environmental, social, and reporting practices, followed by Latin America, Asia-Pacific, and North America.

### **MISCELLANEOUS**

### PA Coal Waste Suit Filed

Citizens Coal Council filed a lawsuit in the U.S. District Court for the Western District of Pennsylvania on June 26 against Matt Canestrale Contracting Inc., alleging that the contractor violated state and federal air and water pollution laws at a waste coal reclamation site. The complaint alleged that trucks hauling coal ash were uncovered and that activities at the site resulted in unauthorized discharges of polluted mine drainage through groundwater flow, polluting four local streams. The plaintiff requested a court order to require the company to place an impermeable cap on the waste pile, investigate and define all contamination emanating from the site, and decrease any contamination that could pollute local streams.

### **RAN Releases Coal Ash Report**

The Rainforest Action Network released a <u>report</u> July 2 detailing the financial, legal, and regulatory risks electric companies face related to their use of coal ash ponds that could fail and contaminate ground water. The update, entitled "Dump Now, Pay Later: Coal Ash Disposal Risk for the U.S. Electric Power Sector", also ranks electric companies by their exposure to coal ash pollution risks, using EPA data to determine which companies own the most hazardous waste sites.

## **OECD Report on Renewable Energy Policies and Trade**

The Organization for Economic Cooperation and Development released its report <u>Domestic</u> <u>Incentive Measures for Renewable Energy with Possible Trade Implications</u> July 8, finding that some policies to incentivize domestic renewable energy distort international trade. The report recommended countries be transparent about their policies, such as grants and subsidies, to avoid harming global trade.

### **Two PA Coal-Fired Plants to Close**

FirstEnergy Corp. announced July 9 that it will close two Pennsylvania coal-fired power plants by October 9. The company cited \$270 million in compliance costs for Environmental Protection Agency mercury and air toxic standards as the impetus for closure.

### **Energy-Water Research Report Released**

The Alliance for Water Efficiency and the American Council for an Energy Efficient Economy released their report *Water-Energy Nexus Research: Recommendations for Future Opportunities* July 9, identifying areas for further research on the relationship between energy and water. Issues needing to be addressed include water required for electric power generation, energy needed for water treatment, and industry energy efficiency and water demand guidelines.

## **CLC Issues Six Policy Papers**

The Conservation Leadership Council released six academic papers July 10 related to energy and environmental issues. One report, <u>Public Policy toward Clean Energy in an Uncertain World</u>, explores the Solyndra failure and possible new approaches to clean energy innovation. Other reports include <u>Voluntary and Information-Based Air Quality Policies</u>, <u>Defining and Designing</u> <u>Property Rights in Marine Fisheries</u>, <u>Prior Appropriation and Water Quality</u>, and <u>Competitive</u> <u>Procurement Programs can Help Heal the Chesapeake Bay</u>.

### **Groups Push Hydropower Bills**

The American Council on Renewable Energy, Duke Energy, the National Hydropower Association, Pacific Gas and Electric, and 50 other companies and associations sent a <u>letter</u> to Senate Majority Leader Harry Reid (D-NV) and Senate Minority Leader Mitch McConnell (R-KY) July 10, advocating for several hydropower bills. The groups asked the full Senate to consider H.R. 267, the Hydropower Regulatory Efficiency Act of 2013, and H.R. 678, the Bureau of Reclamation Small Conduit Hydropower Development and Rural Jobs Act, and their Senate companion bills S. 545 and S. 306. The Senate Energy and Natural Resources Committee approved the legislation May 13.

### **OH Coal-Fired Plant to Close**

American Electric Power announced July 11 that it would close its coal-fired power plant in Beverly, Ohio rather than transition it to a natural gas-fired facility in 2015. In February, a legal settlement between the company, environmental groups, and the government required the company to either shut down or convert the plant. The company explained that compliance costs would total \$61 million to convert the facility.

### LNG Export Terminal Report Released

The American Council for Capital Formation released its report <u>Liquefied Natural Gas: Why Rapid</u> <u>Approval of the Backlog of Export Applications is Important for U.S. Prosperity</u> on July 11. The report found that up to 452,300 jobs would be created between 2016 and 2035 should the Department of Energy approve the 20 liquefied natural gas export terminals currently under review. The study also said between \$15.6 billion and \$73.6 billion would be added to the gross domestic product.