



## ML Strategies Update

David Leiter, [DJLeiter@mlstrategies.com](mailto:DJLeiter@mlstrategies.com)  
Sarah Litke, [SLitke@mlstrategies.com](mailto:SLitke@mlstrategies.com)  
Neal Martin, [RNMartin@mlstrategies.com](mailto:RNMartin@mlstrategies.com)

FOLLOW US ON TWITTER: [@MLStrategies](https://twitter.com/MLStrategies)

ML Strategies, LLC  
701 Pennsylvania Avenue, N.W.  
Washington, DC 20004 USA  
202 434 7300  
202 434 7400 fax  
[www.mlstrategies.com](http://www.mlstrategies.com)

JANUARY 12, 2016

## Energy & Environment Update

### ENERGY AND CLIMATE DEBATE

Following weeks of intense negotiations, Congress approved the \$1.1 trillion omnibus appropriations and \$680 billion tax extenders package ([H.R. 2029](#)), which includes a long-term extension and phasing down of the wind production tax credit and the solar investment tax credit. It provides an extension, retroactive to January 1, 2015, of the wind production tax credit at its current 2.3 cent rate through 2020, with a phase down of 20 percent per year beginning in 2017. The measure extends the investment tax credit for solar with a phase down of 30 percent through 2019, 26 percent in 2020, 22 percent in 2021, and then expires in 2022 for residential projects and reverts to the existing 10 percent credit for commercial projects at that time. The bill lifted the four-decades old crude oil export ban, but did not include many of the environmental riders that were being considered, such as language prohibiting the Environmental Protection Agency from implementing power plant or ozone standards or the Waters of the US rule, nor did it prohibit the administration from contributing to the Green Climate Fund. In addition to related new and ongoing legal battles, we expect congressional challenges to the rules to continue through 2016, including in the next couple of weeks when the Senate will vote to override President Obama's veto of resolutions (S.J. Res. 23, S.J. Res. 24) blocking the administration's power plant rules, this week's House Congressional Review Act vote on the Waters of the US rule, and upcoming congressional CRA votes on the ozone rule as well.

The tax extenders package impacts 52 tax breaks, providing two-year renewals for some and five-year renewals for others, making still others permanent, containing Internal Revenue Service administrative practice language, and offering new rules related to real estate investment trusts, among other issues. The package extends or creates more than \$33 billion in energy-related tax credits over ten years, including, in addition to the above, extending through 2016 the \$1 per gallon biodiesel tax credit; the \$1.01 per gallon cellulosic biofuel tax credit; and a tax deduction for energy efficiency improvements to commercial buildings.

The omnibus spending bill funds the government until September 30, 2016, and provides \$29.7 billion to the Department of Energy, including \$2.1 billion for the Office of Energy Efficiency and Renewable Energy, \$986 million for nuclear energy programs, and \$632 million for fossil fuel research and development; \$8.14 billion to the Environmental Protection Agency for the 2016 fiscal year, an identical figure to its 2015 funding level; \$990 million to the Nuclear Regulatory Commission, a small decrease from the \$1.03 billion requested; and \$319.8 million to the Federal Energy Regulatory Commission, meeting the administration's request. Following an enormously productive legislative session in 2015, congressional appropriators hope to be able to address each of the appropriations bills separately rather than via an omnibus package at the end of the year.

With the three-year reauthorization of the Land and Water Conservation Fund causing Senators Richard Burr (R-NC) and Kelly Ayotte (R-NH) to lift their holds on the bipartisan compromise Toxic Substances Control Act reform legislation, the Senate approved the measure (H.R. 2576) with a substitute amendment from Senator James

Inhofe) December 17. The Senate and House will conference their bills shortly, with the hope of finalizing TSCA reform in early 2016.

In the midst of an election year, Congress faces a fairly full schedule for 2016. Included in that list, of course, will be renewed debates over tax issues, including hearings and markups that address 2016 expiring tax provisions that, through a drafting error or otherwise, were neither made permanent nor extended in the approved package, like investment tax credits for non-solar technologies such as qualified fuel cells, microturbines, combined heat and power facilities, thermal energy properties, and more. Those tax extenders may be included in the upcoming Federal Aviation Administration reauthorization, a bipartisan energy bill, international tax reform, or a stand-alone 2016 tax extenders bill, which is likely to move as part of some end of the year measure or during the lame duck.

Other energy and environment issues on Congress' plate this year include a response to the outcome of the 21<sup>st</sup> Conference of Parties to the United Nations Framework Convention on Climate Change, which concluded its international climate negotiations in Paris mid-December with a global accord. The international agreement to reduce greenhouse gas emissions and mitigate climate change beginning in 2020 calls for keeping global warming to below two degrees above pre-industrial levels and for pursuing efforts to limit the temperature increase to 1.5 degrees Celsius; achieving carbon neutrality by the second half of the century; adapting to adverse climate impacts and fostering climate resilience and low GHG development in a way that does not threaten food production; making consistent financing flows with a pathway toward low GHG emissions and climate resilient development. A legally binding portion of the accord requires countries to reconvene and increase their GHG reduction commitments every five years beginning in 2020, and how well countries are meeting their commitments, as outlined in their Intended Nationally Determined Contributions, will be examined every five years beginning in 2023. The agreement addresses loss and damage and calls on developed nations to increase their financial support before 2020 to achieve the \$100 billion annual global climate fund goal for mitigation and adaptation efforts. The text sets up land use rules, REDD; and transparency frameworks, including independently monitoring, reporting, and verifying national emissions. With a unanimous vote, the pact requires ratification beginning in April by legislatures from at least 55 countries representing 55 percent of the world's emissions in order for it to enter into force, which must happen by 2020. While President Obama, Capitol Hill Democrats, and others in the environmental and public health communities praised the accord, Senate Environment and Public Works Committee Chair James Inhofe (R-OK) opposed it, and Senate leadership continues to reiterate that the United States is not legally bound to any international climate agreement without Congressional approval. Expect to see hearings on the agreement in 2016.

Senate Energy and Natural Resources Committee Chair Lisa Murkowski (R-AK), who is up for reelection, is hoping to secure floor time as soon as possible for the bipartisan energy package (S. 2012) that cleared the committee last summer. Among other things, the measure includes language to increase energy efficiency, renewable energy, and energy infrastructure, as well as impose deadlines on the Department of Energy to make final decisions on natural gas exports, and permanently reauthorize the Land and Water Conservation Fund. Senate Democrats unveiled an alternative package focused on clean energy last fall that could preview some of the amendments likely to surface during floor debate. There is no guarantee that a bill will move in 2016, though there may be scaled back package, most likely before late fall. After a bipartisan effort fell apart last year in the House, the lower chamber approved its own energy bill (H.R. 8) before the close of the year on a near party line vote. House Energy and Commerce Committee Chair Fred Upton (R-MI) said last week that he is open to removing some of the more controversial measures of the package in order to craft a more bipartisan measure. Representative Upton is interested in pursuing a measure that replaces the crude oil export language of the House-passed package with LNG language to reflect the Senate bill as well as return to a more bipartisan approach along the lines of what he had initially intended. Representative Upton and Senator Murkowski plan to discuss a strategy during the annual Republican retreat this week.

Additional topics among the list of potential issues for consideration this year include efforts to reform the national biofuels mandate, better protecting the power grid against cyber-attacks, and overseeing Environmental Protection Agency and other Administration energy and environment related regulations during President Obama's final year in office.

While the fate of much of this Administration's energy and environment agenda awaits rulings in the judicial branch this year, President Obama will finalize several additional energy and environment regulations during his final year in office, from efficiency rules at the Department of Energy, to pipeline safety at the Department of Transportation, to medium- and heavy-duty vehicle fuel efficiency at the Environmental Protection Agency, to a Department of Interior plan that could allow limited oil and gas development off the coasts of Georgia, North Carolina, South Carolina, and Virginia. Additionally, President Obama will highlight climate change as one of four pillars of action in his final State of the Union [address](#) to Congress this evening.

The Environmental Protection Agency will continue its theme for the past seven years, facing lawsuits and criticism

from both sides of the political aisle on almost everything the agency does. If 2015 was the year the Obama Administration pushed its environmental agenda forward, 2016 could be the year to preserve it.

Until and unless the U.S. Court of Appeals for the District of Columbia Circuit stays the Clean Power Plan court challenges from 27 states and a number of industry groups, federal and state regulators must begin working to implement the rule, with implementation plans due starting in 2018 and emissions reductions beginning by 2022. In addition to defending the rule in court, the agency is likely to spend much of the year working with states to craft acceptable implementation plans as well as develop its own federal implementation plan. Lawsuits are expected to extend well past this year. Additionally, legal battles over the New Source Performance Standards for new and modified power plants will continue throughout the year.

Immediately following the Obama Administration's finalization of the Ozone Rule last year, an intense legal battle began, with industry groups as well as public health and environmental organizations displeased with the new 70 parts per billion standard. We expect the legal battle to continue through 2016 as well.

The agency is expected to finalize its Methane Rule this June, regulating new and modified oil and gas sources as part of the Administration's plan to reduce methane emissions from the oil and gas sector by 40 to 45 percent from 2012 levels by 2025. The rule would require drillers to use advanced technologies to track and prevent accidental and purposeful leaks when producing and transmitting oil and gas.

The Environmental Protection Agency published its Renewable Fuel Standard volume mandates for 2014-2016 in the Federal Register December 14, kicking off litigation from the oil and refining industries, biofuel producers, and corn growers, all challenging parts of the rule and defending others. Lawsuits can be filed through February 12.

The U.S. Court of Appeals for the District of Columbia Circuit ordered December 15 that it would leave in place the Environmental Protection Agency's Mercury and Air Toxics Standard while the agency fixes the regulation. The agency must do so by April 15.

Although a federal court stayed the Waters of the United States rule last year, stalling implementation of a rule setting regulatory authority over streams, wetlands, and other small waterways, the Environmental Protection Agency and the Army Corps of Engineers maintain that the rule is legal and plan to continue to fight the lawsuits against it this year. The appeals process could eventually bring the water rule to the Supreme Court.

The agency also plans to release a final version of its report on fracking and drinking water this year, and will consider critical comments released the first week of January by the Science Advisory Board at its shape the final project.

In other 2016 priorities, the agency plans to finalize, in conjunction with updated average fuel economy standards from the National Highway Traffic Safety Administration, new fuel efficiency standards for medium- and heavy-duty vehicles; finalize efforts to reduce the production and use of hydrofluorocarbons; and work with countries around the world to implement the Paris climate accord by providing global technical leadership in measuring and reporting their greenhouse gas emissions.

The Department of Energy finalized more than a dozen energy efficiency standards last year, rounding out the year with standards for ceiling fans and ceiling fan light kits, rooftop air conditioners, commercial and industrial pumps, beverage vending machines, residential boilers, pre-rinse spray valves used in restaurants, and walk-in coolers and freezers. Following the most recent rules, the administration is about seventy five percent of the way toward its goal of reducing 3 billion tons CO2 emissions through final efficiency rules during the Obama Administration. We anticipate 2016 to see a similar flurry of activity on efficiency standards from the agency.

The agency also plans to complete the second Quadrennial Energy Review by late 2016. The second review will address United States' electricity from generation to end use. Stakeholders will start meeting early this year, with an interagency review expected by late summer; 13 teams will consider electricity sector topics, including markets, finance, and grid operations.

The Department of Interior's Bureau of Ocean Energy Management is likely to move forward in January or February with its five-year offshore drilling lease plan, setting a schedule for lease sales of offshore oil and natural gas drilling rights. The 2017-2022 plan, the first draft of which was released in early 2015, will be finalized later in the year. The most recent version of the plan includes proposals to allow offshore drilling in the Atlantic Ocean for the first time as well as sell more drilling rights in the Arctic Ocean north of Alaska.

The Bureau of Land Management will finalize its venting and flaring rule for gas wells on public lands by August, and may also raise royalties.

The Fish and Wildlife Service plans to finalize several Endangered Species Act reforms, including rules for how to designate and protect critical habitat and how to make the law less burdensome to land users. The Service, along with the National Park Service will also pursue their own oil and gas drilling reforms to ensure that sensitive landscapes are protected from spills.

The Interior Department is also likely to address the Endangered Species Act sage grouse listing as it faces a 2016 challenge of implementing land-use plans preserving sagebrush habitat across Western lands while maintaining access for oil and gas developers, miners, and ranchers. The Bureau of Land Management is also likely to address renewable energy development on public lands in a significant way. As part of his legacy, President Obama is also considering millions of acres of Western lands for permanent protection under the Antiquities Act, which allows presidents the power to withdraw federal lands from oil, gas, and mining development, among other uses.

December 14 marked the Supreme Court's last opinion day for 2015 and the justices have yet to resolve the future of the Federal Energy Regulatory Commission's demand response rule, Order No. 745. The court will sit January 11, and the next set of opinions could come this week. Oral arguments in the case were held October 14. Additionally, the Federal Energy Regulatory Commission is expected to finalize a connected entities rule this year to detect and reduce energy market manipulation.

The Nuclear Regulatory Commission will issue a report in March as part of its Project Aim 2020 program to outline how to re-baseline the agency's mission and priorities and reduce staff. The commission is expected to receive the first design certification for a small modular reactor from NuScale Power by the end of the year. The commission will use remaining funds appropriated for the Yucca Mountain project to issue a final supplemental environmental statement early this year. In the meantime, the Department of Energy is seeking public comment on the siting process for storing commercial and defense generated nuclear waste, with the first public meeting scheduled this month.

## CONGRESS

### Oil Recycling Policy

Senator Ed Markey (D-MA) sent a letter to the Environmental Protection Agency last summer, which was obtained under the Freedom of Information Act December 28, urging the agency to update its policies for recycling or disposing of used oil products. Current policies, which were developed more than two decades ago, allow unrestricted burning of used oil products in small space heaters, for example.

### Upcoming Hearings

The House, Science, Space, and Technology Committee will markup the Nuclear Energy Innovation Capabilities Act (H.R. 4084) January 12.

The House Energy and Commerce Subcommittee on Energy and Power will consider external power supply conservation standards January 12.

## ADMINISTRATION

### Environmental Good Tariffs Reduced

President Obama issued a [proclamation](#) December 23 in which he modified the Harmonized Tariff Schedule of the United States with regard to the Asia-Pacific Economic Cooperation economies' list of 54 [environmental goods](#). American tariffs on certain environmental goods, as of the end of the year, will be reduced to five percent or less.

## DEPARTMENT OF COMMERCE

### Solar Trade Case

The U.S. Court of International Trade granted a motion December 30 allowing SunPower Corporation to amend complaints in a case challenging Department of Commerce dumping and countervailing duty determinations rulings on Chinese solar cells and panels. The court also ruled January 8 that a separate case challenging the antidumping and countervailing duties can continue.

### Second Warmest Year on Record

The National Oceanic and Atmospheric Administration released data January 7 finding that 2015 was the second-hottest year on record in the United States, behind 2012. 2015 marked the 19<sup>th</sup> year in a row with temperatures exceeding the 20<sup>th</sup> century average. Data scheduled for release January 20 are expected to demonstrate that 2015 was the warmest year worldwide.

## DEPARTMENT OF DEFENSE

### Nominee Withdrawn

President Obama withdrew his nomination January 11 of Philip Cullom to be assistant secretary of Defense for energy, installations, and the environment, citing personal reasons.

## DEPARTMENT OF ENERGY

### National Medal of Science

Energy Secretary Ernest Moniz [announced](#) December 22 that Paul Alivisatos won the National Medal of Science for his work on solar [nanocrystals](#) and quantum dots.

### \$10.5 Million for Marine Energy

The Department of Energy [awarded](#) December 28 \$10.5 million for next generation marine and hydrokinetic energy systems.

### Import Certification

The Department of Energy proposed a [rule](#) December 29 requiring importers of certain products and equipment subject to applicable energy conservation standards to provide the agency with admissibility certifications prior to being imported into the country. Comments are due February 12.

### Sizable RPS Benefits

Lawrence Berkeley National Laboratory and the National Renewable Energy Laboratory released a report January 6 finding that renewable portfolio standards have sizable impacts on domestic greenhouse gas emissions, water use, job creation, and the economy. Standards in 29 states and the District of Columbia resulted in \$2.2 billion in benefits, assuming a midrange scenario and a central social cost of carbon value.

### Clean Energy Benefits

The Lawrence Berkeley National Laboratory released a study January 6 finding that rules to promote wind and solar energy generated \$7.4 billion in environmental and health benefits in 2013. State requirements for utilities to purchase renewable power also reduced wholesale electric and natural gas prices and supported 200,000 jobs in the clean energy industry.

### Low Gas Prices

The Energy Information Administration released [data](#) January 7 finding that domestic gasoline prices were at their lowest last year since 2009. The national average price per gallon for regular gasoline over the course of the year was \$2.43, 28 percent lower than they were in 2014.

### Declining Coal Production

The Energy Information Administration announced January 8 that total domestic coal production in 2015 is expected to be the lowest since 1986, dropping to 886 million short tons last year, slightly under the 890 million short tons produced in 1986. The agency pointed to low natural gas prices, reduced international coal demand, and environmental regulations as contributors to the decline.

## DEPARTMENT OF JUSTICE

### VW Emissions Scandal

The Department of Justice, on behalf of the Environmental Protection Agency, filed January 4 a civil lawsuit in the U.S. District Court for the Eastern District of Michigan against Volkswagen AG and its subsidiaries over the vehicle manufacturer's alleged use of illegal defeat devices in more than 580,000 diesel engine vehicles sold in the United States.

## DEPARTMENT OF TREASURY

### Section 48 Election

The Internal Revenue Service requested January 6 public comment on guidance describing the procedures taxpayers must take to elect the Section 48 investment tax credit in lieu of the Section 45 production tax credit. Comments are due March 7.

## ENVIRONMENTAL PROTECTION AGENCY

### MI on CPP

Michigan Agency for Energy Executive Director Valerie Brader said December 22 that the state is well on its way to

complying with the Environmental Protection Agency's Clean Power Plan without having to make drastic course corrections. Based on four models from Synapse Energy Economics, policies already in place will allow the state to meet its targets at least through 2025.

### **CPP Biomass Lawsuit**

The Environmental Protection Agency and the Biogenic CO<sub>2</sub> Coalition filed a motion in the U.S. Court of Appeals for the District of Columbia Circuit January 4 asking the court to separate and hold in abeyance challenges to the Clean Power Plan focusing on biomass CO<sub>2</sub> emissions. Holding the challenges in abeyance will allow the agency and petitioners to seek remedies, including petitions for reconsideration.

### **Gasoline Aromatics**

The Governors' Biofuels Coalition announced plans January 8 to promote biofuels, including by asking the Environmental Protection Agency to limit the use of gasoline aromatics, enforcing Section 202 of the Clean Air Act.

### **RFS Challenge**

A group of pro-ethanol organizations filed a lawsuit in the U.S. Court of Appeals for the District of Columbia Circuit January 8 challenging the Environmental Protection Agency's final rule on blending mandates in the renewable fuel standard. The suit marks the first challenge to the agency's final standard, which established the amount of biofuels that must be blended into the fuel supply for 2014-2016.

## **INTERNATIONAL**

### **Unmined Coal**

Bank of America released a report December 18 finding that in order for nations around the globe to meet their environmental targets as agreed upon in Paris earlier in the month, about half of the 890 billion tons of coal reserves, enough to last more than 65 years, must stay underground.

### **Unprepared Energy Sector**

MSCI Inc. released an analysis December 21 finding that energy companies are not prepared to meet the environmental targets agreed to in Paris by 195 countries. Only 16 of the 146 members of the high emitting energy sector in the organization's All Country World Index have carbon targets in line with country commitments, and another 112 energy companies lack reduction targets entirely. The materials and utilities sectors also lag behind government policies, which could result in higher compliance costs.

### **Russia RE**

The Thomas Reuters Foundation [reported](#) December 22 that solar power has been the fastest developing renewable energy source in Russia in recent years as the nation has required renewable energy projects to use domestically produced equipment and supplies in order to qualify for state support. Renewable energy investments by 2020 are expected to be slightly more than ten percent of the overall investment in the Russian energy sector.

### **EV Batteries**

The Commission for Environmental Cooperation issued a report December 22 finding that the United States, Canada, and Mexico need to devise alternative uses for end of life electric vehicle batteries by 2030, when more than 1.5 million electric vehicles on the continent are expected to reach the end of their useful life. End of life vehicle batteries still retain 80 percent of their capacity and could be used for residential and commercial electric power management, power grid stabilization, and renewable energy system management.

### **Imperfect Climate Pact**

China's special representative on climate change Xie Zhenhua said December 23 that the Paris climate agreement is imperfect in the funding and technology transfer areas. He urged the world's countries to finalize details of technology innovation, cooperation, and transfer in follow-up negotiations.

### **China's RE**

China's National Energy Administration released a statement December 29 finding that the country, the world's biggest clean energy investor, plans to increase wind and solar power capacity by more than 21 percent next year – at least 20 GW in new wind power installations and 15 GW in additional solar photovoltaic capacity – in an effort to reduce greenhouse gas emissions by reducing its reliance on coal.

### **European Wind**

New Energy Finance announced December 31 that Vestas Wind Systems A/S, Gamesa Corp Tecnologica SA, and Nordex SE, Europe's three publicly traded wind-turbine makers, all doubled in value last year after reaching record industry installations. Global wind power installations are expected to reach 63.7 GW this year, up 30 percent from 2014. The International Energy Agency announced the same day that renewable energy would overtake coal as the

largest source of electricity by the early 2030s.

### **EU-China Solar Prices**

The European Commission closed a review January 7 into a minimum import price that is adjusted quarterly on the basis of international spot prices for solar panels, including Chinese prices. Ruling against European Union solar panel manufacturers hoping to curb Chinese imports, the commission found that Chinese producers, which represent nearly 80 percent of the global solar market, are too important to exclude from the benchmark and determined that no changes were warranted.

### **US-India Solar Trade Dispute**

The World Trade Organization's Dispute Settlement Body will issue a decision January 29 on whether India's Jawaharlal Nehru National Solar Mission complies with the country's international trade obligation. The decision could require the nation to scale back its local content requirements to the benefit of the U.S. solar industry.

## **STATES**

### **Transportation Sector CO2 Reduction Program**

Connecticut, Delaware, New York, Rhode Island, Vermont, and Washington, D.C. began the process late last year of creating a regional program to reduce transportation sector CO2 emissions. The states and district are developing a work plan that considers options, including something along the lines of the Regional Greenhouse Gas Initiative, and establishes a stakeholder process. The initiative will build on the Transportation Climate Initiative, an 11 state effort launched in 2010 that the Georgetown Climate Center facilitated. The transportation sector is the largest source of greenhouse gas emissions in the region, contributing to about 35 percent of emissions in 2011.

### **NJ Offshore Wind**

The New Jersey Legislature passed a bill late last year to make it easier to develop wind energy off the coast of the state. Governor Chris Christie (R-NJ) let the measure die as the legislative session closed. Non-profit organizations have said that the state could be a prime location for offshore wind, potentially selling the power to New York City, but the state's Board of Public Utilities has dragged its feet.

### **NV EVs**

The Nevada Legislature passed a tax incentive package December 19 to bring electric vehicle startup Faraday Future and a \$1 billion factory to North Las Vegas. Governor Brian Sandoval (R-NV) signed the measures.

### **TX Wind**

The Electric Reliability Council of Texas announced December 22 that it had set a new wind generation output record of 13,883 MW two days prior as well as a new record for percentage of load, at 41.27 percent. The record was the fourth of its kind in the past four months.

### **NYC Hotel GHG Reductions**

16 of New York City's most famed hotels pledged December 29 to reduce building greenhouse gas emissions by 30 percent or more in the next decade. The NYC Carbon Challenge program is part of the city's effort to reduce citywide greenhouse gas emissions 80 percent by 2050. The program, which already includes commitments from more than 17 universities, 11 hospitals, and nearly 20 residential property management companies combining for almost seven percent of citywide building-based emissions, is estimated to reduce emissions by 515,000 MT and save millions in energy costs.

### **RGGI and CPP**

NRG Energy submitted comments January 6 to the Regional Greenhouse Gas Initiative as part of the program's ongoing review in which it urged member states to consider dropping the regional approach to compliance under the Clean Power Plan and favor individual state approaches instead. The initiative will consider stakeholder [comments](#) at a meeting February 2.

### **NY Solar**

SunEdison signed January 8 a 20-year power purchase agreement to sell nearly a megawatt of solar energy to city-owned buildings in Watervliet, New York.

### **NV Solar**

The Nevada Public Utilities Commission will rule January 13 on whether to stay some changes it made to solar net metering rules while it considers rehearing requests the Solar Energy Industries Association, the Alliance for Solar Choice, Vote Solar, and the Nevada Bureau of Consumer Protection made January 8. The state finalized December 22 a rule that effectively gutted the state's solar rooftop net metering program and applied grid charges

to new and existing participants. The rule was scheduled to take effect January 1. SolarCity announced December 23 that it would immediately cease solar sales and installations in the state.

## SUSTAINABILITY

### Apple Emissions Assessment

Apple Inc. released its proxy filing January 6 unveiling that shareholders will vote at the annual meeting this year on a proposal to assess whether the company should reach a net-zero greenhouse gas emissions target by 2030. The move was inspired by Siemens AG's September announcement that it would be climate neutral by 2030.

## MISCELLANEOUS

### Non-Battery Storage Costs

GTM Research released a [report](#) January 5 finding that the non-battery costs of grid-scale storage will drop 40 percent by 2020 from \$670/kW to under \$400/kW.

### EV Sales Lag

Autodata released a report January 6 finding that amid the auto industry's record sales in 2015, plug-in electric vehicles failed to win over American consumers, as low gasoline prices and daunting sticker prices slowed demand. Americans purchased 102,600 electric vehicles last year, a 17 percent decline from the previous year.

### Solar Jobs

The Solar Foundation released January 12 a [report](#) finding that the solar industry created 1.2 percent of all new domestic jobs last year. Solar employment grew nearly 12 times faster than the national rate in 2015. The industry is expected to add more than 30,000 jobs next year, increasing its workforce by 14.7 percent.

\* \* \*

---

**View ML Strategies professionals.**

---

Boston · Washington [www.mlstrategies.com](http://www.mlstrategies.com)