



## ML Strategies Update

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## Energy & Environment Update

### ENERGY AND CLIMATE DEBATE

The House and Senate are in session for just a few more days prior to adjourning the 113<sup>th</sup> Congress. Remaining issues to address during the lame duck include the hybrid omnibus-continuing resolution, which could close out most work on fiscal 2015 spending and fund the government after December 11, a tax extenders package, completing the Defense authorization, a terrorism risk insurance extension, which expires December 31, and a handful of other last minute measures.

The House may pass the omnibus spending package, which will distribute about \$1 trillion in discretionary funds, December 10, at which point the Senate will take it up December 11 before adjourning for the year.

The House passed last week a one year extension (H.R. 5771) of about 50 tax benefits that expired at the end of 2013, commonly referred to as the tax extenders package, including the production tax credit. Despite his preference for a two year extension, Senate Finance Committee Chair Ron Wyden (D-OR) said December 4 that the Senate would not amend the bill, setting the stage for an up or down vote this week. The short term extension provides little benefit to the wind industry, as developers need months to plan and begin constructing facilities, and industry and environmental advocates had pushed for a multi-year extension, even discussing a three-year phaseout as part of the Senate tax extenders deal last month, as they worked to provide the certainty and stability needed to grow the market.

Senators Jeanne Shaheen (D-NH) and Rob Portman (R-OH) introduced December 4 a scaled down package of energy efficiency bills (S. 2971) that the House previously passed, hoping to move it by unanimous consent in the final days of the lame duck session. The bill mirrors House-passed legislation (H.R. 2126), which includes measures to increase energy efficiency in government data centers, promote commercial building efficiency, and loosen grid-enabled water heater standards. The Senate approved a similar small energy efficiency package, the American Energy Manufacturing Technical Corrections Act (H.R. 6582), before adjourning for the year in December 2012.

Senator Mary Landrieu (D-LA) lost her runoff election to Representative Bill Cassidy (R-LA) over the weekend, and Senator Maria Cantwell (D-WA) will become ranking member of the Senate Energy and Natural Resources Committee in the 114<sup>th</sup> Congress.

### CONGRESS

#### Super Pollutants Legislation

Testifying before the Senate Environment and Public Works Committee about his Super Pollutants Act of 2014 (S.

2911) December 2, Senator Chris Murphy (D-CT) that his short-lived pollutants legislation provides an opportunity for Republicans who want to capitalize on public support for reducing air pollutants. Senator Susan Collins (R-ME) cosponsors the measure.

### **EPA Blocking Legislation**

Senator Joe Manchin (D-WV) said December 2 that legislation (S. 1905, H.R. 3826) effectively blocking the Environmental Protection Agency's ability to complete its CO2 regulations for new and existing power plants will return next year. The measure would impose several conditions on the agency prior to completing the regulations.

### **Climate Groups to Remain Active**

Senators Barbara Boxer (D-CA), Sheldon Whitehouse (D-RI), and Bernie Sanders (I-VT) said December 3 that despite the dim prospects for climate change legislation in the 114<sup>th</sup> Congress, the Senate Climate Change Clearinghouse and the Bicameral Task Force on Climate Change will remain active over the next two years and have strong support from leadership.

### **Ozone Standard Opposition**

Incoming Senate Majority Leader Mitch McConnell (R-KY) and Senators Roy Blunt (R-MO) and John Barrasso (R-WY) pledged December 3 an attack on the proposed revisions to the federal ozone standard next Congress. They support Senator John Thune's (R-SD) measure to block the revisions, and are planning to use standalone legislation, the appropriations process, and the Congressional Review Act to push against the Environmental Protection Agency's ozone standards.

### **Energy Confirmations**

The Senate confirmed December 4 Joseph Hezir as the Department of Energy's chief financial officer. The same day, the Senate confirmed Franklin Orr as the Department of Energy's undersecretary for science. The Senate confirmed December 8 Jeffery Baran to fill the term of outgoing Nuclear Regulatory Commission Chair Allison Macfarlane. The Senate is also scheduled to vote this week on the nomination of Ellen Williams to be director of the Department of Energy's Advanced Research Projects Agency-Energy. Majority Leader Harry Reid (D-NV) is hoping to hold votes on the Energy Department nominations of Christopher Smith for assistant secretary of the Office of Fossil energy; Marc Kastner for director of the Office of Science; Jonathan Elkind for assistant secretary of the Office of International Affairs; and Monica Regalbutto for assistant secretary of the Office of Environmental Management before the end of the lame duck session.

### **NDAA Energy Provisions**

The House approved December 4 the fiscal year 2015 Defense Authorization Bill. The bill authorizes about \$577.1 billion in budget authority for national defense programs, including incentives for alternative dual-fuel vehicle development; a requirement that the Department of Defense provide a business case analysis 30 days prior to entering into a contract for the planning, design, refurbishment, or construction of a biofuels refinery; and a prohibition on bulk drop-in fuel purchases for operational purposes during fiscal year 2015. The Senate is expected to pass the measure this week.

### **Environmental Riders**

Representative Mike Simpson (R-ID) said December 5 that House Republicans are seeking to add policy riders to the \$1 trillion omnibus funding bill to block Environmental Protection Agency rules on power plant GHG emissions, small bodies of water, and waste from mining. House Republicans are also seeking a rider that would override Obama administration guidance prohibiting the Export-Import Bank from financing overseas coal-fired power projects. Congressional Democrats and the White House are confident that the measure will not ultimately include most of those provisions.

### **Welch's EE Legislation**

Representative Peter Welch (D-VT) promised December 5 more bipartisan energy efficiency bills in the next Congress. He is in early talks with House Energy and Commerce Committee Republicans, including Representative David McKinley (R-WV), with whom he worked on House-passed efficiency language earlier this year.

### **EPA Approps Difficulty**

Representative James Moran (D-VA), ranking member of the House Appropriations Subcommittee on Interior, Environment, and Related Agencies, said last week that the Obama administration's request for a reduction in the Environmental Protection Agency's budget undermined the Democratic party's negotiating power.

### **Van Hollen to Climate Task Force**

Representative Chris Van Hollen (D-MD) will replace retiring Representative Henry Waxman (D-CA) as the top House member on Congress' bicameral climate change task force next year.

## Legislation Introduced

Senators Jeanne Shaheen (D-NH) and Rob Portman (R-OH) introduced legislation (S. 2971) December 2 to promote energy efficiency.

Senator Brian Schatz (D-HI) introduced legislation (S. 2986) December 4 to require the Secretary of the Interior to assemble a team of technical, policy, and financial experts to address the energy needs of the insular areas of the United States and Freely Associated States through the development of energy action plans aimed at promoting access to affordable, reliable energy, including increasing use of indigenous clean energy resources.

Representative John Delaney (D-MD) introduced legislation (H.R. 5796) December 4 to give States the option of addressing greenhouse gas emissions from existing stationary sources by pricing emissions.

## Upcoming Hearings

The Senate Energy and Natural Resources Committee will vote December 10 on the nomination of Colette Honorable to a seat on the Federal Energy Regulatory Commission.

The House Oversight and Government Reform Subcommittee on Energy Policy, Health Care and Entitlements will hold a hearing December 10 on the Environmental Protection Agency's delay in issuing the 2014 Renewable Fuel Standard. Acting Assistant Administrator for the Office of Air and Radiation Janet McCabe will testify.

The House Energy and Commerce Subcommittee on Energy and Power will hold a hearing December 11 on the crude oil export ban. Energy Information Administration Administrator Adam Sieminski will testify.

The House Science Subcommittee on Energy will hold a hearing the same day on the future of nuclear energy. Assistant Energy Secretary Pete Lyons will testify.

## ADMINISTRATION

### CPP on Schedule

White House counselor John Podesta told the National Summit on Smart Grid and Climate Change December 3 that the Obama Administration is determined to finalize the Environmental Protection Agency's Clean Power Plan on time. The target deadline for the final rule is next June.

### Climate Action Champions

The White House recognized December 3 16 communities across the country as [Climate Action Champions](#) for leading the way to reduce CO2 emissions and build resilience to climate change. The goal of the [program](#) is to develop a network of communities to share lessons and assist future competition winners in overcoming common implementation challenges.

### Solar Trade Case

The U.S. International Trade Commission meets December 8 to discuss the final phase of antidumping and countervailing duty investigations against solar products from China and Taiwan. The Department of Commerce, which released stringent preliminary duties in July, is scheduled to make a final decision by December 16. If the department affirms those tariffs, the commission would have to give the final approval in January. Canada's Border Services Agency announced December 5 that it is launching a similar investigation, with the Canadian International Trade Tribunal making a decision by February 3.

## DEPARTMENT OF COMMERCE

### Data Center Trade Mission

Commerce Secretary Penny Pritzker and Energy Secretary Ernest Moniz announced December 8 that they will lead a Business Development Mission to China April 12-17, 2015. The mission will focus on industries supporting Smart Cities and Smart Growth, such as green buildings, building energy retrofitting, building management, green data centers, carbon capture utilization and storage, energy efficiency technologies, clean air and clean water technologies, waste treatment technologies, smart grid, and green transportation.

## DEPARTMENT OF ENERGY

### \$7 Million for Bioenergy

The Department of Energy announced December 4 up to \$7 million for two projects in New York and Tennessee to

develop and demonstrate ways to reduce the cost of delivering bioenergy feedstocks to biorefineries.

## DEPARTMENT OF INTERIOR

### Lake MI Basin Climate Impacts

The U.S. Geological Survey released [models](#) November 24 showing that a warming climate, rising by as much as 7-8 degrees, could lengthen growing seasons in the Lake Michigan basin, make the area's soil drier, and decrease winter snowpack by 2100.

### Offshore Wind Lease Sale

Interior Secretary Sally Jewell announced November 24 that more than 742,000 acres in the waters of the Massachusetts coast will be offered for commercial wind development in a January 29 lease sale, the largest ever competitive domestic lease sale for offshore wind energy.

### Climate Study Lawsuit

Friends of the Earth and the Western Organization of Resource Councils filed a lawsuit November 24 in the U.S. District Court for the District of Columbia against the Bureau of Land Management to require it to consider climate change and alternative energy policy options to reduce climate change in the federal coal leasing program.

### SunZia Transmission Lines

The Bureau of Land Management released a [draft environmental assessment](#) November 25 finding that burying a section of the proposed SunZia Southwest Transmission Project would not have any significant additional impacts compared with running the transmission lines overhead. Public comment will be accepted for 30 days, after which the urea could make a decision on whether to permit the project as early as January.

### Energy Revenue Disbursements Decline

Interior Secretary Sally Jewell announced December 2 that the department disbursed more than \$13.4 billion in revenue generated from energy production on federal and American Indian land and offshore areas in fiscal year 2014, down from \$14.2 billion in fiscal year 2013.

## DEPARTMENT OF STATE

### Arctic Council Climate Priority

State Department special representative for the Arctic Admiral Robert Papp Jr. [said](#) December 2 that climate change adaptation and mitigation will be one of the United States' top priorities when it chairs the Arctic Council.

### International Energy Affairs Appointment

Secretary of State John Kerry announced December 3 the appointment of Amos Hochstein as Special Envoy and Coordinator for International Energy Affairs. Mr. Hochstein has been acting in this capacity since August 1, and previously served as Deputy Assistant Secretary for Energy Diplomacy.

## ENVIRONMENTAL PROTECTION AGENCY

### CPP TX Water Savings

CNA Corporation released a [report](#) November 19 finding that the Environmental Protection Agency's Clean Power Plan could save enough water in Texas to fill AT&T Stadium 37 times every year, reducing the state's power sector water consumption by 21 percent from 2012 to 2029, saving 88,000 acre-feet of water per year.

### Regulatory Agenda Released

The Environmental Protection Agency released November 21 its fall [regulatory agenda](#), showing that the agency is on schedule to finalize several high-profile regulations over the next year, including the Clean Power Plan, new source performance standards for new power plants, ozone standards, the 2015 renewable fuel standard, the coal ash rule, the Waters of the United States rule, a proposed endangerment finding for greenhouse gas emissions from aircraft, the second phase of fuel economy and greenhouse gas emissions standards for model year 2018 and beyond medium- and heavy-duty trucks, the refinery rule, new source performance standards for new residential wood heaters, water quality standards, wastewater from shale gas extraction, the mercury rule, a worker protection agency, and more.

### MATS Lawsuit

The Environmental Integrity Project and the Chesapeake Climate Action Network filed a lawsuit November 21 in the U.S. District Court for the District of Columbia seeking to require the Environmental Protection Agency to respond to a petition for reconsideration of the agency's 2012 mercury and air toxics standards for power plants. The suit

alleges that the agency is in violation of the Clean Air Act and the Administrative Procedure Act for failing to respond to their petition in the past two and a half years.

### **TX Haze Plan Partially Disapproved**

The Environmental Protection Agency proposed November 24 to [disapprove](#) parts of Texas's regional haze plan in favor of a federal plan for reducing haze pollution and SO<sub>2</sub> emissions from specific electricity generating plants in the state, finding that the plan does not meet Clean Air Act requirements or adequately address requirements related to reasonable progress under the long-term strategy and calculation of natural visibility conditions. Under the agency's proposal, 15 units at eight coal-fired electricity generating facilities would be required to reduce SO<sub>2</sub> emissions.

### **Supreme Court to Review MATS**

The Supreme Court decided November 25 to take up a case challenging the Environmental Protection Agency's Mercury and Air Toxics Standards. Utility and mining industry groups charge that the agency should have considered compliance costs before deciding to regulate. The Court of Appeals for the District of Columbia Circuit upheld the rule in April.

### **Ozone Standard Released**

The Environmental Protection Agency [proposed](#) November 26 a [tighter](#) ozone national ambient air quality standard of 65 parts per billion to 70 ppb, between 2020 and 2037, down from the 75 ppb set by the Bush-era rule. The agency is also seeking comment on setting it as low as 60 ppb. The Clean Air Act requires the agency to review the standards every five years, and the final rule is due by October 1.

### **FERC Nominee Submits CPP Comments**

Federal Energy Regulatory Commission nominee Colette Honorable, in her role as chair of the Arkansas Public Service Commission, submitted comments November 26 pursuant to the Environmental Protection Agency's Clean Power Plan, calling the plan "flawed," and "unattainable" for the state.

### **Regional Stream Monitoring**

The Environmental Protection Agency released for comment November 28 a [draft proposal](#) to monitor small regional streams in the Northeast, Mid-Atlantic, and Southeast regions to detect climate change. Comments are due December 29.

### **CPP Comment Period Closed**

The [comment](#) period for the Environmental Protection Agency's proposed Clean Power Plan closed December 1. In millions of comments, support for the proposed rule appears divided, with some expressing general support for the agency's approach and making recommendations to improve the proposal, and others expressing concern over the legality and feasibility of the proposed standard.

### **RFS 2015 Lawsuit**

The American Fuel and Petrochemical Manufacturers announced December 1 that it will sue the Environmental Protection Agency for failing to issue the 2015 renewable fuel standard by the November 30 statutory deadline. The association will also sue the agency over its failure to issue a 2014 standard.

### **Ecolabel Guidelines Revised**

The Environmental Protection Agency [revised](#) December 1 part of its draft guidelines for using private sector environmental performance standards and ecolabels in federal purchasing in response to public feedback. The agency will pilot the guidelines for three sectors next year, with the goal of providing a list of recognized standards for federal environmentally preferable purchasing.

### **Boiler, Incinerator Standard Revisions**

The Environmental Protection Agency [proposed](#) December 2 several amendments and technical corrections to its air pollution standards for boilers and incinerators. The agency will accept comments on the changes for 45 days after the notices are published in the Federal Register.

### **Perciasepe CPP Comments**

Center for Climate and Energy Solutions President and former Environmental Protection Agency deputy administrator Bob Perciasepe said December 5 that while the Clean Air Act will not be enough to address climate change or help the United States meet its recent greenhouse gas reduction pledge, and congressional action is needed, the agency's Clean Power Plan is helpful because state compliance actions could make Congress more comfortable taking action in a few years. He said that he is confident that the proposed rule is legally sound.

## **Solid Waste, Coal Ash Management Rules Forthcoming**

Environmental Protection Agency Assistant Administrator for Solid Waste and Emergency Response Mathy Stanislaus said December 5 that the agency will release two major waste regulations under the Resource Conservation and Recovery Act later this month. The agency will release this week final revisions to the Definition of Solid Waste Rule that are expected to eliminate exemptions for certain recycled materials from hazardous waste regulations. The agency will release a final rule on the management and disposal of coal combustion residuals from power plants, the coal ash rule, by the December 19 court-ordered deadline.

## **FEDERAL ENERGY REGULATORY COMMISSION**

### **Moeller CPP Letter**

Federal Energy Regulatory Commission Commissioner Philip Moeller sent a [letter](#) December 1 to Environmental Protection Agency Administrator Gina McCarthy saying that the Clean Power Plan will interfere with the country's competitive market forces, potentially resulting in even more greenhouse gas emissions in the future, will reduce electricity reliability, and will cost billions of dollars. He renewed his call for a more "formal and transparent process" between the Environmental Protection Agency and the Federal Energy Regulatory Commission to ensure grid reliability. House Energy and Commerce Committee Chairman Fred Upton (R-MI), Representative Ed Whitfield (R-KY), and Senator Lisa Murkowski (R-AK) sent a similar [letter](#) November 24, asking the commission to document its consultation process with the agency over the past 18 months, convene a technical grid reliability conference, and establish a more formal documentation process going forward. Commission Chair Cheryl LaFleur expressed grid reliability concerns during a panel discussion at the National Summit on Smart Grid and Climate Change, but also voiced confidence that stakeholders and regulators will rise to the challenge. She said that she favors a broad regional approach by the states as they develop their state implementation plans.

### **Court Dismisses Petition**

The U.S. Court of Appeals for the District of Columbia Circuit ruled December 2 that it has no jurisdiction to review a Federal Energy Regulatory Commission ordering Midland Power Cooperative to reconnect a small power production facility to the electricity grid. The Public Utility Regulatory Policies Act specifies that such reviews must first be considered by a federal district court.

## **FEDERAL TRADE COMMISSION**

### **Ethanol Market Unconcentrated**

The Federal Trade Commission released a [report](#) December 5 finding that the domestic ethanol market is still unconcentrated.

## **INTERNATIONAL**

### **Climate Change Threatens War on Poverty**

The World Bank released a [report](#) November 23 finding that continued global climate change could undermine efforts to end extreme poverty and achieve other development goals.

### **Financial Mechanisms Needed for Energy Infrastructure**

The World Energy Council released a [report](#) November 24 finding that unlocking the \$48 trillion needed in energy infrastructure investments through 2035 will require new funding approaches and increased financial sector support.

### **German Renewable Support OK**

The European Commission [stated](#) November 25 that most discounts granted to energy intensive companies via a surcharge to finance the production of German renewable energy are in line with European Union state aid rules.

### **Nepal-India Power Agreement**

Nepal signed an agreement November 25 with Indian power company Satluj Jap Vidyut Nigam Ltd. To build a 900 MW Arun III hydropower power station. Indian Prime Minister Narendra Modi was in Nepal for a South Asian regional summit.

### **UNECE Urges CCS Incentives**

The United Nations Economic Commission for Europe [urged](#) climate negotiators November 25 to increase incentives for carbon capture technologies in preparation for the 2015 international climate accord.



## China's GHG Calculation Guidelines

China's National Development and Reform Commission released draft guidelines November 27 for measuring, reporting, and verifying greenhouse gas emissions within ten major industries as the country prepares to launch a national emissions trading market as soon as 2016. Covered industries include power generation, electrical grid companies, iron and steel producers, chemical producers, aluminum smelters, magnesium smelters, flat glass producers, cement producers, ceramics producers, and civil aviation enterprises.

## China Increases Fuel Tax

China's Ministry of Finance announced November 28 that it has increased its fuel consumption tax for the first time in five years amid falling global oil prices as part of its efforts to reduce pollution and CO2 emissions. Effective November 29, China will increase the tax on gasoline, naphtha, solvent oil, and lubricating oil by 0.12 yuan a liter, and on diesel, jet fuel, and fuel oil by 0.14 yuan a liter.

## IPCC Climate Report

The Intergovernmental Panel on Climate Change released a [report](#) November 28 finding that global greenhouse gas emissions increased by an average of 2.2 percent per year from 2000 to 2010, nearly double the 1.3 percent a year growth over the previous 30 years. The report contains 1,200 scenarios detailing options for reducing emissions and their climate impact. The panel released the summary for policymakers report earlier in the month.

## HFC Discussions

Delegates meeting in Paris November 28 [agreed](#) to informal discussions early next year on wide-ranging issues related to managing hydrofluorocarbons under the Montreal Protocol, but they failed to agree to begin formal negotiations.

## 20<sup>th</sup> COP/10<sup>th</sup> MOP

The United Nations Framework Convention on Climate Change celebrates its 20<sup>th</sup> anniversary this December, with international climate negotiations scheduled for December 1-12 in [Lima, Peru](#). The Lima talks mark the 20<sup>th</sup> Conference of Parties to the UNFCCC and the 10<sup>th</sup> Meeting of Parties to the Kyoto Protocol. Issues to watch most closely as negotiators work to kick off the past 12 months of talks toward a global climate accord that would enter into force in 2020 include whether parties can agree on a draft text that distills areas of agreement and disagreement into one document; more specifics on the \$100 billion/year industrialized countries are to provide beginning in 2020 to help developing nations adapt to climate change via the Green Climate Fund; country-specific action pledges that are due at the end of next year; differentiated financial obligations; potential progressive caps; and a mechanism to strengthen the accord if after 2020 it is insufficient to halt the rise in global temperatures.

## EU Decarbonization Challenges

The International Energy Agency released December 1 its review of regional energy strategy, finding that the European Union will struggle to finance the decarbonization of its economy and retain low enough power and gas prices to keep its energy intensive industries. The agency said that the bloc needs to increase prices in its emissions market and introduce policies to attract investment in low carbon technologies.

## EU Environmental Laws

Environment ministers from 11 European Union countries sent a letter to the European Commission December 1 to warn against backtracking on proposed air and waste laws. The commission will review the proposals to ensure that they are fit for purpose, and will adopt its 2015 work program later this month.

## ACT 2015 Report

The Agreement on Climate Transformation 2015 and the World Resources Institute released a [report](#) December 2 urging nations to commit next year to a long-term goal of phasing out net greenhouse gas emissions. The report recommends establishing three five-year continuous improvement cycles focused on mitigation, adaptation, and supporting developing nations, to strengthen the agreement over time.

## Climate Spending Increased

The United Nations Standing Committee on Finance [announced](#) December 3 that global funding for climate issues may be higher than previously estimated, totaling between \$340 billion and \$650 billion a year between 2010 and 2012.

## Germany Renews GHG Reduction Effort

German Chancellor Angela Merkel announced December 3 that the country will redouble its efforts to meet its greenhouse gas emissions reduction goals. She proposed new measures to help the nation reach its 2020 target.

## **EU GHG Measurements Rejected**

The European Parliament environment committee rejected December 3 an amended European Commission proposal to calculate transport fuel emissions reductions, noting the problem with Canadian oil sands. The European Parliament will vote on whether to veto the proposal next week. The proposed methodology is needed for the implementation of the bloc's 2009 Fuel Quality Directive, under which fuel suppliers are required to reduce life-cycle transportation GHG emissions by six percent by 2020 compared with a 2010 baseline.

## **China Offers More Specifics**

China's lead climate negotiator Su Wei said December 4 that the nation will work to reduce the amount of greenhouse gas emissions for every dollar of gross domestic product and increase its stock of forests that absorb emissions. He called on developed nations to hasten delivery of the \$100 billion Green Climate Fund.

## **Australian Green Bonds**

National Australia Bank Ltd. announced December 4 that it plans to become the first of the country's lenders to sell climate or green bonds to fund more environmentally sound projects. The proceeds will finance renewable energy assets.

## **High Adaptation Costs**

The United Nations Environment Program released a [report](#) December 5 finding that efforts to adapt to climate change in the developing world could cost several times more than previous estimates.

## **Norway GCF Pledge**

Norway announced December 5 that it would increase its contribution to the Green Climate Fund to \$258 million as a result of a budget agreement in the country. The announcement brings total fund pledges to about \$9.95 billion, just shy of the \$10 billion goal for the year. Earlier in the week, Spain pledged \$150 million toward the fund.

## **Latin American Climate Action Necessary**

The Natural Resources Defense Council released a [report](#) December 5 finding that persuading Latin American nations to enact more stringent black carbon controls would reduce air pollution-related premature deaths and mitigate climate change.

## **STATES**

### **TX Fracking Ban Lawsuit**

Less than 24 hours after voters in Denton, Texas, approved a fracking ban last month, the Texas Oil and Gas Association filed a lawsuit saying that the ban is inconsistent with state law and violates the state constitution.

### **MA Energy Secretary**

Massachusetts' Governor-elect Charlie Baker selected late last month Matt Beaton, a two-term state representative, as secretary of the Executive Office of Energy and Environmental Affairs.

### **FL EE, RE Cuts**

Florida approved November 25 proposals to gut the state's energy efficiency goals by more than 90 percent and to end the solar rebate programs by the end of next year.

### **CO Solar**

The Colorado Public Utilities Commission approved November 24 a two year plan for rooftop and community solar installations in an effort to offer more market stability. The blueprint provides for at least 42 MW of projects annually for 2015 and 2016.

### **CA-Quebec's First GHG Auction**

California and Quebec sold greenhouse gas allowances for \$12.10 each in their first joint carbon auction November 25. The governments received 1.73 bids for every allowance. Almost 23.1 million allowances were on sale, and about 10.8 million permits that can be used as early as 2017 were also auctioned for \$11.86 each.

### **MD Fracking**

Maryland Departments of the Environment and Natural Resources released a draft report November 26 finding that the risks of developing the Marcellus Shale can be kept at an "acceptable level" if industry follows best practices and state regulators monitor and enforce compliance. A final report will come out later this month.

### **MA Permit Review Requested**

Four Massachusetts residents petitioned November 28 the U.S. Court of Appeals for the First Circuit to review a



decisions by state and federal regulators to issue a Clean Air Act permit to developers planning to build and operate a 692 MW combined cycle electricity generating facility in Salem.

### **NextEra Buys HI Electric**

NextEra Energy purchased December 3 Hawaiian Electric Industries Inc., Hawaii's largest power supplier, for about \$2.63 billion. Hawaiian Electric will spin off its subsidiary ASB Hawaii Inc., into a publicly traded company.

### **RGGI Record Allowance Price**

The Regional Greenhouse Gas Initiative [announced](#) December 5 that CO2 allowances sold for a record high of \$5.21 each in the latest auction, RGGI's 26<sup>th</sup>. The auction raised \$94.8 million from just over 18 million allowances for the nine participating states.

## **MISCELLANEOUS**

### **Chocolate Electricity**

Nestle announced late last month that it has been using chocolate to power a factory that manufactures Rolo's candy in Fawdon, United Kingdom, for nearly a year. Clearfleau designed the generator, which produces about 200 KW and supplies almost eight percent of the electricity needed to power the factory, lowering its electricity bill by about \$157,000 a year.

### **Siemens Sells Tidal Power Business**

Siemens AG announced November 25 that it has decided to sell its tidal power business, Marine Current Turbines Ltd. The development of the market and the supply chain has taken longer than the company anticipated. The divestment will take several months to complete. In August, Bloomberg New Energy Finance revised down its 2020 capacity forecast for tidal power to 148 MW, about 11 percent less than previously estimated.

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