



ML Strategies Update

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Energy & Environment Update

ENERGY AND CLIMATE DEBATE

Congress returns from the Presidents Day recess, and energy and climate issues will heat up again this work period as Congress sends the Keystone XL pipeline legislation to President Obama, committees consider fiscal year 2016 spending requests, Senators Jeanne Shaheen (D-NH) and Rob Portman (R-OH) prepare to introduce a broad energy efficiency package, and the Federal Energy Regulatory Committee holds a workshop on the Clean Power Plan, all in the midst of a calendar filled with other issues such as funding for the Department of Homeland Security, nominations, the Doc Fix, an authorization for the use of force against ISIS, and a handful of other potential measures.

The tax reform debate is expected to continue in the coming days, weeks, and months, though it is becoming increasingly likely that comprehensive tax reform may be too difficult a lift this year. If Congress is unable to come to an agreement on tax reform, we will turn increasingly to tax extenders as we near the end of the year. House Ways and Means Committee Chair Paul Ryan (R-WI) and Ranking Member Sandy Levin (D-MI) clashed February 12 over the committee's decision to make permanent several expired tax provisions ahead of any discussion of broader tax reform, including a permanent tax credit for research and experimentation (H.R. 880) and a permanent deduction for state and local sales taxes (H.R. 622). The committee approved the same day changes to tax-favored college savings accounts under Section 529 (H.R. 529). Senate Finance Committee Chair Orrin Hatch (R-UT) is still considering how to move forward with broader tax reform, and the Obama administration opposes taking up tax extenders separately without budget offsets.

CONGRESS

RFS Letters

A bipartisan group of 32 senators sent a [letter](#) February 9 to Environmental Protection Agency Administrator Gina McCarthy saying that the agency's failure to finalize biodiesel standards under the renewable fuel standard has harmed the biodiesel industry. The group urged the agency to finalize the volume requirements as soon as possible. Senator Barbara Boxer (D-CA) sent a separate but similar [letter](#) February 10.

House Climate Caucus Relunched

House Democrats relunched February 9 the Safe Climate Caucus. The caucus lost its chairman last year with Representative Henry Waxman's (D-CA) retirement, but Representative Alan Lowenthal (D-CA) will now chair the caucus. Representative Lowenthal is a member of the House Natural Resources Committee and the Sustainable Energy and Environment Coalition. Representatives Chris Van Hollen (D-MD) and Scott Peters (D-CA) joined the announcement, which Representative Van Hollen used to announce that he would soon reintroduce his cap and dividend legislation, the Healthy Climate Security Act.

Efficiency Legislation Forthcoming

Senator Jeanne Shaheen (D-NH) said February 10 that she and Senator Rob Portman (R-OH) will introduce by the end of the month a new version of their energy efficiency legislation. The measure is similar to language they introduced last Congress.

Ozone Analysis Challenged

Senators James Inhofe (R-OK) and John Thune (R-SD) sent a [letter](#) to Environmental Protection Agency Administrator Gina McCarthy February 10 questioning the agency's ozone analysis that led to its decision to strengthen the nation's ground-level ozone standards. The letter asks the agency to provide a breakdown of the related costs and benefits of the proposed rule.

CPP Listening Session Locations

Environmental Protection Agency Acting Assistant Administrator for Air and Radiation Janet McCabe told the Senate Environment and Public Works Committee February 11 that the agency held its listening sessions on the Clean Power Plan based on "where people were comfortable coming." Coal-state senators are denouncing Administrator McCabe's response to Senator Shelly Moore Capito's (R-WV) question about why the agency had not included West Virginia or other coal states as sites for its eleven listening sessions. Regional administrators, including in Region 3, have held a number of outreach sessions and will continue to do so. During the same hearing, committee Republicans led by Chairman James Inhofe (R-OK) said that the agency's plan thwarts the will of Congress, imposes unnecessary costs on utilities, and does not improve the climate. They argued that state opposition to the proposed plan indicates that the rule should be significantly revised or withdrawn entirely.

Senate Finance Approves Energy Measures

As part of a 17 measure chairman's mark, the Senate Finance Committee reported out February 11 legislation from Senator Michael Bennet (D-CO) that would reduce the federal tax on liquefied natural gas as an incentive to make it more competitive with diesel fuel and legislation from Senators Tom Carper (D-DE) and Dean Heller (R-NV) that would extend a ten percent investment tax credit for cogeneration technologies.

EPW Minority Leadership

Senate Environment and Public Works Ranking Member Barbara Boxer (D-CA) announced February 11 the subcommittee minority leadership for the 114th Congress. Senator Boxer will serve as ranking member of the Transportation and Infrastructure Subcommittee, which Senator Tom Carper (D-DE) chaired last Congress. Senator Carper will serve as ranking member of the Clean Air and Nuclear Safety Subcommittee. Senator Sheldon Whitehouse (D-RI) will serve as ranking member of the Fisheries, Wildlife, and Water Subcommittee. Senator Ed Markey (D-MA) will serve as ranking member of the Superfund, Waste Management, and Regulatory Oversight Subcommittee.

ENR Leadership

Senate Energy and Natural Resources Committee Chair Lisa Murkowski (R-AK) announced February 12 the subcommittee leadership for the 114th Congress. Senator James Risch (R-ID) will chair the Energy Subcommittee, and Senator Joe Manchin (D-WV) will serve as its ranking member. Senator John Barrasso (R-WY) will chair the Public Lands, Forests, and Mining Subcommittee, and Senator Ron Wyden will serve as ranking member. Senator Bill Cassidy (R-LA) will chair the National Parks Subcommittee and Senator Martin Heinrich (D-NM) will serve as ranking member. Senator Mike Lee (R-UT) will chair the Water and Power Subcommittee and Senator Mazie Hirono (D-HI) will serve as ranking member.

New Climate Rhetoric Needed

Representative Scott Peters (D-CA) said February 13 that the Democratic Party needs to improve its rhetoric on climate change in order to encourage action and should work with Republicans on efforts to improve infrastructure resiliency against extreme weather events. Representative Peters plans to reintroduce soon his Strengthening the Resiliency of Our Nation on the Ground (STRONG) Act, which would help state and local governments develop and improve local infrastructure to better withstand extreme weather events.

Ernst Invites McCarthy to IA

Senator Joni Ernst (R-IA) sent a [letter](#) February 23 to Environmental Protection Agency Administrator Gina McCarthy inviting her to visit Iowa to discuss the Renewable Fuel Standard and the Waters of the United States rule. Iowa Governor Terry Branstad (R) met with the administrator February 20 to discuss the same issues.

Keystone Legislation to White House

Senator John Hoeven (R-ND) said February 23 that Congress will send the Keystone XL legislation (S. 1) to the White House tomorrow. The House approved the Senate's language February 11. President Obama has already issued a veto threat for the measure.

Legislation Introduced

Senator John Barrasso (R-WY) introduced the Natural Gas Gathering Enhancement Act (S. 411) February 9. The measure would expedite the permitting of natural gas gathering pipelines by hastening the issuance of rights of way and reducing environmental analyses.

Senators Dianne Feinstein (D-CA) and Barbara Boxer (D-CA) introduced legislation (S. 414) to provide for conservation, enhanced recreation opportunities, and renewable energy development in the California Desert Conservation Area.

Senator Lamar Alexander (R-TN) introduced legislation (S. 454) February 11 to amend the Department of Energy High-End Computing Revitalization Act of 2004 to improve the high-end computing research and development program of the Department of Energy. Representative Randy Hultgren (R-IL) introduced a companion bill in the House.

Senator James Inhofe (R-OK) introduced legislation (S. 490) February 12 to give power to states to develop fossil fuel and renewable energy resources on federal lands. Representative Diane Black (R-TN) introduced companion legislation (H.R. 866) in the House two days prior.

Senator Lisa Murkowski (R-AK) introduced legislation (S. 494) the same day to authorize the exploration, leasing, development, production, and economically feasible and prudent transportation of oil and gas in and from the Coastal Plain to Alaska.

Senator Mike Enzi (R-WY) introduced legislation (S. 500) the same day to amend the Mineral Leasing Act to require the Secretary of the Interior to convey to a state all right, title, and interest in and to a percentage of the amount of royalties and other amounts required to be paid to the state under that Act with respect to public land and deposits in the state.

Upcoming Hearings

The Senate Energy and Natural Resources Committee will hold a hearing February 24 on President Obama's February 2 fiscal year 2016 budget request. Interior Secretary Sally Jewell will testify.

The House Appropriations Subcommittee on Agriculture will hold a hearing February 25 to consider the fiscal year 2016 budget request. Agriculture Secretary Tom Vilsack will testify.

The House Appropriations Subcommittee on Interior-Environment will hold a hearing February 25 to consider the fiscal year 2016 budget request. Interior Secretary Sally Jewell will testify.

The Senate Energy and Natural Resources Committee will hold a hearing February 26 on President Obama's February 2 fiscal year 2016 budget request. Forest Service Director Tom Tidwell will testify.

The House Appropriations Subcommittee on Energy and Water will hold a hearing February 26 to consider the fiscal year 2016 budget request. Energy Secretary Ernest Moniz will testify.

The House Appropriations Subcommittee on Interior-Environment will hold a hearing February 26 to consider the fiscal year 2016 budget request. Environmental Protection Agency Administrator Gina McCarthy will testify.

The House Energy and Commerce Subcommittee on Energy and Power will hold a hearing March 3 entitled "21st Century Energy Markets: How the Changing Dynamics of World Energy Markets Impact our Economy and Energy Security."

The House Energy and Commerce Subcommittee on Energy and Power will hold a hearing March 4 entitled "The 21st Century Electricity Challenge: Ensuring a Secure, Reliable, and Modern Electricity System."

The House Natural Resources Committee will hold a hearing March 5 to consider the Department of Interior's fiscal year 2016 budget request. Interior Secretary Sally Jewell will testify.

The House Energy and Commerce Subcommittee on Energy and Power will hold a hearing March 17 entitled "EPA's Proposed 111(d) Rule for Existing Power Plants: Legal and Cost Issues."

ADMINISTRATION

\$2 Billion Clean Tech Commitment

Speaking at the Department of Energy's ARPA-E Energy Innovation Summit February 10, Deputy Office of Management and Budget Director Brian Deese announced that the administration has set a goal to leverage \$2

billion from universities, philanthropies, and investors to tackle the “valley of death” many nascent technologies face between the basic research and commercialization stages. The University of California Board of Regents has committed to invest \$1 billion in endowment funds to the [Clean Energy Investment Initiative](#), and the Schmidt Family Foundation, the Hewlett Foundation, and Wells Fargo have given the Obama administration additional commitments. The administration will continue to solicit commitments until a summit on the topic with this spring, at which point it hopes to have reached the \$2 billion goal. He also said that lower oil and gas prices are positive for the American economy, but that they do not replace the need for policies such as tightened fuel economy standards. The Department of Energy will run the initiative.

Climate Geoengineering Research

The National Research Council released two reports February 10 considering potential final efforts to counteract climate change if mitigation and adaptation fail: carbon removal and sequestration and solar radiation management. The [first](#) addresses the root cause of climate change but is currently too expensive and slow acting. The [second](#) is cheaper and faster but also risky. Researchers concluded that the first option was a better climate geoengineering approach, but that neither is a silver bullet, and addressing climate change now is of paramount importance.

DEPARTMENT OF AGRICULTURE

\$280 Million for REAP

The Department of Agriculture [announced](#) February 10 that rural agriculture producers and small business owners may apply for resources to purchase and install renewable energy systems or make energy efficiency improvements. The agency is making more than \$280 million available to eligible applications through the Rural Energy for America Program for commercially available technologies in grant awards of up to \$500,000 each and loans of up to \$25 million per applicant.

DEPARTMENT OF COMMERCE

Coral Bleaching Events

The National Oceanic and Atmospheric Administration released February 17 an [outlook](#) on coral health finding that elevated temperatures in the tropical Pacific and Indian oceans could cause significant coral bleaching events across the globe. The outlook demonstrates a disturbing pattern for the next four months that was last seen during similar events in 1998 and 2010. The agency listed last August 20 species of corals as threatened under the Endangered Species Act, primarily because of the threats posed by ocean warming, ocean acidification, and disease.

DEPARTMENT OF DEFENSE

Navy Energy Culture Change

Navy Secretary Ray Mabus told the Climate Leadership Conference February 23 that he is proudest of his work that changed the culture around energy in the Navy.

DEPARTMENT OF ENERGY

Furnace Standards

The Department of Energy published February 11 in the Federal Register its new [standards](#) for certain residential natural gas fired furnaces, but industry groups are encouraging the agency to create separate product classes for condensing and non-condensing furnaces to avoid requiring homeowners to undergo costly structural modifications if they choose to continue to use gas. The agency will hold a public meeting to discuss the proposal March 26. The agency was required to rewrite the mandatory energy efficiency standards for nonweatherized gas furnaces after the U.S. Court of Appeals for the District of Columbia Circuit vacated the original rule.

QER Forthcoming

Energy Secretary Ernest Moniz said February 12 that the Quadrennial Energy Review is currently undergoing White House review and he expects to release it this month. The review will include a major focus on electricity grid reliability, improving the Strategic Petroleum Reserve, and transportation infrastructure, as well as methane emissions from natural gas pipelines and other facilities. The road map is intended to inform a national energy strategy via short- and long-term objectives and potential executive actions and congressional proposals.

DOD Energy Use Down

The Energy Information Administration found February 19 that the Department of Defense used less energy in fiscal year 2013 than in any year since at least 1975. The military used 0.75 quadrillion British thermal units of energy in fiscal year 2013, compared with 1.36 quadrillion Btu in 1975. The Pentagon's share of energy use by the

federal government fell from 87 percent in 1975 to 78 percent in 2013.

DEPARTMENT OF INTERIOR

CCS Partnership

The American Bird Conservancy [urged](#) the Fish and Wildlife Service February 12 to issue stronger regulations protecting birds from wind turbines. The conservancy asked the service for similar regulations in 2011, and the agency said that it would compile data on companies' compliance with voluntary guidelines.

DEPARTMENT OF STATE

AirNow Expansion

Secretary of State John Kerry and Environmental Protection Agency Administrator Gina McCarthy signed a joint statement February 18 launching an effort under which the State Department will collect air quality data from U.S. diplomatic missions overseas and the Environmental Protection Agency will analyze it. The joint air quality program will expand the role of the Environmental Protection Agency's [AirNow](#) program, which serves as a national repository of real-time air quality data for the United States, Canada, and Mexico.

DEPARTMENT OF TREASURY

Clean Coal Investment Reallocation

The Internal Revenue Service announced February 18 that it has about \$1.1 billion in tax credits available for reallocation in the second round of a Section 48A Phase III program that helps offset the costs of investments in clean coal projects. Reallocations will begin immediately and applications must be submitted to the Departments of Energy and Treasury by April 1.

ENVIRONMENTAL PROTECTION AGENCY

TransCanada Challenge

TransCanada Corp. released a [letter](#) February 11 formally challenging the Environmental Protection Agency's concerns about the climate impact of the Keystone XL pipeline.

CPP and Grid Reliability

The Brattle Group released a [report](#) February 12 finding that the Environmental Protection Agency's proposed Clean Power Plan would not jeopardize the reliability of the electric grid, particularly since states and utilities may employ many approaches to meet the state rate targets while ensuring grid reliability. The Advanced Energy Economy Institute's report, EPA's Clean Power Plan and Reliability: Assessing NERC's Initial Reliability Review, counters concerns the North American Electric Reliability Corp. raised last November.

CPP and Wind

The American Wind Energy Association released a [report](#) February 12 finding that renewable energy, particularly wind power, is poised to help states meet their Clean Power Plan rate targets. Nine states already generate more than 12 percent of their electricity needs through wind power, and wind is projected to provide between 15 and 20 percent of domestic electricity by 2017.

CPP Litigation

The Environmental Protection Agency told the U.S. Court of Appeals for the District of Columbia Circuit in a February 12 brief that Murray Energy cannot demonstrate that the agency's proposed Clean Power Plan would directly harm its business and therefore it lacks standing to challenge the rule. Murray Energy's reply brief is due February 26. The court will hear oral argument in the lawsuit as well as two other similar cases April 16.

NARUC CPP Comments

Environmental Protection Agency Administrator Gina McCarthy told the National Association of Regulatory Utility Commissioners February 17 that the agency intends to finalize its CO2 standards for new, modified, and existing power plants by mid-summer. She said that the agency remains open to modifying certain targets under the Clean Power Plan but believes that interim targets are necessary to ensure that states get on a path to meeting their long-term goals. The June 2014 proposal includes interim emissions rate targets to be met between 2020 and 2029 and a final state rate that applies beginning in 2030. State utility regulators from Wyoming, Texas, Arkansas, and Wisconsin told Acting Assistant Administrator Janet McCabe later that day that they are concerned that the proposed plan exceeds the agency's statutory authority, fails to incorporate existing state climate programs, will result in unaffordable electricity prices, and includes unachievable goals. State commissioners from California and Maryland voiced strong support for the proposal and said that the agency could go further with its standard.

RFS Delay Lawsuit Withdrawn

Plant Oil Powered Diesel Fuel Systems Inc. withdrew a lawsuit February 17 against the Environmental Protection Agency's 2014 delayed renewable fuel standard, saying that the U.S. Court of Appeals for the District of Columbia Circuit was unlikely to resolve the dispute quickly. The company will explore other ways to engage with the agency.

Jobs Review Requirement Suit

The Environmental Protection Agency told the U.S. District Court for the Northern District of West Virginia February 17 that a Clean Air Act requirement that the agency periodically review the jobs impact of its rules is intended to bolster the case for environmental regulation rather than discourage rulemaking. The agency contends that coal companies led by Murray Energy seeking to compel the agency to conduct the jobs review required under Section 321 lack standing because the law's provision was not intended to protect their interests.

FEDERAL ENERGY REGULATORY COMMISSION

CPP Engagement

After speaking at the National Association of Regulatory Utility Commissioners winter conference, Federal Energy Regulatory Commission Chair Cheryl LaFleur said February 18 that commission staff significantly engaged with the Environmental Protection Agency on the Clean Power Plan. She also said that while the commission plays an interagency role in reviewing the rule, the majority of its responsibility comes during implementation.

CPP Workshops

The Federal Energy Regulatory Commission began February 19 a series of workshops on the Environmental Protection Agency's proposed Clean Power Plan. Environmental Council of the States Executive Director and General Counsel Alexandra Dunn said that state environmental officials are not yet working on plans to meet their rate targets because of uncertainty over what will be in the final rule. States and utilities said that a regulatory safety valve is vital to the agency's Clean Power Plan. A safety valve would allow states and utilities additional time or flexibility to ensure electric reliability. The agency included a similar safety valve in its mercury and air toxics standards for power plants, but it was included after the rule was completed, potentially making it less effective than it could have been. The commission will hold a second workshop February 25, with more to follow in March.

GOVERNMENT ACCOUNTABILITY OFFICE

High Risk Report

Government Accountability Office Comptroller General Gene Dodaro told the Senate Homeland Security and Government Affairs Committee February 11 that the federal government continues to struggle to demonstrate that it is making progress on several high risk issues, from cybersecurity risk threats and tax fraud to rising sea level, extreme weather events, and other climate change impacts. The agency issued a [report](#) concluding that the Obama administration deserves credit for moving to reduce greenhouse gas emissions and working with other nations toward a global climate agreement. The agency added climate change to its biannual [high-risk list](#) in 2013.

NUCLEAR REGULATORY COMMISSION

Supplemental Yucca EIS

Nuclear Regulatory Commission Chair Stephen Burns told a Platts Nuclear Energy Conference February 17 that the commission will create a supplemental environmental impact assessment of Yucca Mountain. The cost of the supplemental analysis will be covered by the \$3.9 million still left for the project, which will also go to document archiving. He also said that the commission must also adapt to a smaller budget.

Shrinking Agency

The Nuclear Regulatory Commission released February 18 its [Project Aim 2020](#) report, predicting the agency's future staffing and resource needs. The report includes 17 recommendations to make the commission more efficient, include reducing its workforce by about ten percent over five years, reducing red tape, making regulatory decisions faster, and strengthening the agency's mission.

INTERNATIONAL

Fossil Fuel Subsidies

The International Institute for Sustainable Development Global Subsidies Initiative presented a [report](#) to the United Nations this February 10 showing how merely reducing fossil fuel subsidies could significantly help the world

reduce CO2 emissions. Governments across the globe subsidize fossil fuels by about \$543 billion a year; eliminating those subsidies could lead to global emissions reductions of between 6-13 percent by 2050, in part by making renewable energy more cost effective.

Global RE Cost Efficiency Up

The International Renewable Energy Agency released a report February 11 finding that technological advances in electric vehicles and solar panels are making renewable energy sources more economically viable and increasing the likelihood of doubling the world's use of renewable energy sources by 2030. At the same time, the report found that current renewable energy policies in many of the world's key energy markets would increase the global share of renewable energies by only three percent leading up to 2030, and stronger policies are needed.

Geneva Climate Negotiations

After the 2014 Conference of Parties to the United Nations Framework Convention on Climate Change failed to agree to language forming the basis for a global climate accord later this year in Paris, 2015's first round of climate negotiations concluded February 13 with a formal agreement on [draft negotiating text](#) that, at 86 pages long, is four or five times the expected length of the final Paris pact. 180 countries sent representatives to the February 8-13 talks in Geneva. Significant work remains to turn the large and unwieldy text into an edited and streamlined formal accord to address climate change. Delegates spent the second half of the week discussing ways to increase climate action from parties before 2020, when the Paris agreement takes effect, and discussing technical issues related to compliance, finance, and strategies for shortening the language at the next round of talks in June. The next step will be more most countries to submit their Intended Nationally Determined Contributions, with the March 31 deadline looming. The draft text must be completed no later than May 30 to allow for the obligatory six-month period for translating and distributing the document before the November 30 start of the Paris climate summit.

EU Biofuel Votes

EPure, other biofuel industry groups, and COPA-COGECA sent a [letter](#) February 17 to members of the European Parliament calling on them to reject draft Indirect Land-Use Criteria. The European Commission proposed controversial measures three years ago to cap the amount of crop-based biofuels and employ land-use criteria to gauge their greenhouse gas impact. The European Parliament's Committee for Environment will debate February 24 a six percent cap on crop-based biofuel contribution to the European Union's ten percent renewable energy transportation sector 2020 target. The bloc's biofuel industry believes the target to be too low. The European Parliament General Assembly is likely to vote on the measure in May.

STATES

NY Smart Metering

Con Edison announced this month that it will spend \$1.5 billion over eight years to make its electric and gas meters smarter. The advanced metering initiative would replace about 4.7 million meters and could serve as a platform for many of New York's renewable energy plans.

FL Plant Closures

Gulf Power announced February 6 that it will close two more 50-year old coal-fired generating units in Florida rather than make the investment required to comply with Environmental Protection Agency Mercury and Air Toxics Standards. The utility will close the units by March 31.

CA Climate, Efficiency Legislation

California Senate Democrats introduced February 10 a four-bill package (S.B. 32, 350, 185, and 189) to carry out Governor Jerry Brown's (D) proposal to enhance state climate policy goals by increasing renewable energy and energy efficiency use by 50 percent and reducing petroleum use by 50 percent. The state is on its way to meeting its goal of deriving a third of its electricity from renewable resources and reducing greenhouse gas emissions to 1990 levels by 2020.

MT Plant Closure

PLL Montana announced February 10 that it will permanently close in August its J.E. Corette coal-fired power plant in Billings in part because the cost of complying with the Environmental Protection Agency's 2011 Mercury and Air Toxics Standard is too high.

NV Efficient Construction

Schneider Electric announced February 10 that it will focus on energy efficiency as it constructs a \$375 million Las Vegas Arena, an indoor sports venue scheduled to open in Nevada next spring.

FL Solar

Conservatives for Energy Freedom started February 10 a series of town hall meetings on solar power and energy choice as it seeks to find support for a ballot initiative that libertarians, environmentalists, and retailers support. Duke customers in Florida are paying \$3.2 billion for two nuclear projects that will never produce a kilowatt of power, and the group questioned why Duke and other Florida utilities say that solar power does not work well in the state.

MS CCS

Mississippi Power Company will ask the state Supreme Court to reconsider its February 12 ruling that the Public Service Commission did not have the authority to approve rate increases for the company's Kemper County power plant. The company expects the plant, which is implementing carbon capture systems, to become fully operational this year, making it the first coal fired power plant to demonstrate CCS viability.

LA Critical of CPP

During a February 13 meeting of the Louisiana House Natural Resources and Environment Committee, Representative Raymond Garofalo (R) criticized the Environmental Protection Agency's proposed Clean Power Plan, saying that its goals were unattainable and would increase the price of electricity. Representatives for the Louisiana Department of Environmental Quality and American Electric Power outlined their concerns over the agency's time line and goals, and a Sierra Club representative spoke on behalf of local environmental groups in support of the plan.

IN Solar Legislation

The Indiana House Utilities, Energy, and Telecommunications Committee passed February 18 legislation (H.B. 1320) reducing the amount of money utilities have to pay solar-powered homeowners for their excess power.

SUSTAINABILITY

\$100 Billion for Green Projects

Citigroup Inc. Chief Executive Officer Michael Corbat announced February 18 that the company will lend, invest, and facilitate deals worth \$100 billion by 2025 to support projects that will fight climate change and protect the environment. The effort, intended to support renewable power, energy efficiency, and sustainable transportation, builds on an 2007 goal to arrange \$50 billion in deals. The company met that goal in 2013 three years ahead of schedule. The target puts Citigroup ahead of other financial companies, including Bank of America, which announced in 2012 it would support \$40 billion for low-carbon initiatives, and Goldman Sachs Group, which announced a \$40 billion program the same year.

MISCELLANEOUS

Natural Gas Emissions

Environmental Science and Technology published a [study](#) February 10 finding that less than one percent of methane from natural gas gathering and processing facilities leaks, but 30 percent of gathering facilities account for 80 percent of total related emissions. The Interstate Natural Gas Association of America said the same day that pipeline maintenance efforts have reduced the number of pipeline leaks by 94 percent in the past 30 years, preventing emissions of 122 MMT CO₂e.

Apple's Solar Commitment

Apple Inc. announced February 10 that it would spend \$848 million over 25 years to buy 130 MW of electricity from a 280 MW First Solar Inc. plant, the solar industry's largest-ever corporate power purchase agreement. The contract could be the first in a rush to negotiated and sign agreements as the investment tax credit expiration looms. Industry experts predict that 14 GW of utility scale solar projects will come online in 2015 and 2016, compared with 1 GW in 2017.

PTC/ITC Permanency Unlikely

The Beacon Policy Center published a report February 11 finding that permanently extending the production tax credit and solar investment tax credit is unlikely. At the same time, the report predicted that an extension would eventually get through Congress, but that it would hinge on the tax reform debate.

Vestas Dividends

Vestas Wind Systems proposed February 11 its first dividend payment in twelve years after beating fourth-quarter profit forecasts, though its shares fell on conservative targets for 2015. The company proposed a 3.9 Danish crowns per share dividend, about 29.5 percent of 2014 net profits, just below the 4 crowns analysts predicted.

Tesla Battery Expansion

Tesla announced during an earnings call February 12 that it will unveil a battery for home and business use soon. Production on the batteries will begin in about six months.

Megadrought Forthcoming

Science Advances published an article February 12 concluding that the United States is facing its worst drought in 1,000 years, primarily driven by human-associated climate change. The report predicts that by the end of the century, the country will experience years-long dry spells exacerbated by higher temperatures.

Global Divestment Day

Global Divestment Day took place February 13-14 across six continents and highlighted the anti-fossil fuel campaign's effectiveness. For the fossil fuel industry, it is likely to have a limited economic impact, but it could impact investor returns and it remains to be seen what effect it has on clean energy investment. About 180 institutions and hundreds of individual investors representing more than \$50 billion in total assets have pledged to divest funds that are invested in fossil fuels, though divested holdings in fossil fuel companies are likely to be picked up by other investors.

Kaiser Permanente RE Commitment

Kaiser Permanente announced February 18 that it will join Google in purchasing about 43 MW of power from NextEra Energy's planned wind farm at Altamont Pass and will generate solar energy from panels at its facilities under an agreement with NRG Energy as well as purchase 110 MW from NextEra's Blythe solar energy plant in the Riverside County desert. Google announced the previous week that it would buy power from the same California wind farm under a 20-year power purchase agreement. The new Golden Hills wind farm will remove more than 700 old wind turbines and replace them with more efficient machines.

Ethanol Industry Growth

The Renewable Fuels Association released its [annual outlook report](#) February 21 finding that the U.S. ethanol industry had its biggest year to date in 2014.

Ocean Acidification Risks

Nature Climate Change published an [article](#) February 23 finding that oyster, scallop, and clam industries in 15 states valued about \$1 billion are at risk due to climate change related ocean acidification related to climate change.

LCV Keystone Poll

The League of Conservation Voters released the results of a poll February 23 concluding that if President Obama rejects the Keystone XL pipeline, likely voters want Congress to move on to other issues facing the country. 31 percent of respondents said that Congress should require the administration to issue a permit for the pipeline, and 63 percent said that Congress should accept the administration's decision and move on.

Green Bond Use Up

Climate Bonds Initiative Chief Executive and Co-Founder Sean Kidney said February 17 that the market should expect a surge in the use of [green bonds](#) to fund brownfields development and property cleanups, with the fastest growth in international markets like China. Global green bond investment more than tripled last year to \$36.6 billion, from about \$11 billion the previous year. Development banks and corporations issued most of those bonds.

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