



## ML Strategies Update

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## Energy & Environment Update

### ENERGY AND CLIMATE DEBATE

Despite stalling recently over a debate on how to respond to the Flint water crisis, the Senate bipartisan energy bill is still alive and could see action as soon as next week provided that Sen. Stabenow (D-MI) is successful in her negotiations with Sen. Lee (R-UT) who has a hold on the Flint aid package related to funding. Sen. Vitter (R-LA) also had a hold on the Flint measure, but his issue, regarding fishing areas in the Gulf of Mexico, has been addressed and his hold released. Once the Flint package is approved by the Senate, it is expected to move quickly in the House of Representatives.

Also next week, we could see action on a short-term Federal Aviation Administration reauthorization, which may not normally be associated with energy and environment, but is reportedly a potential vehicle for a provision to address the non-solar technologies that were left out of the Investment Tax Credit extension and phase-down that was included in the omnibus spending bill last December.

Presidential debates are scheduled this week in Miami, with the Democrats debating March 9 and the Republicans March 10. Leading up to the debates, more than 20 Florida mayors have asked that the debates include a discussion of climate change and how the candidates would address sea-level rise, a major concern for the Sunshine State.

Canadian prime minister Justin Trudeau will visit Washington this week to meet with President Obama. The two leaders are expected to sign an agreement on a North American strategy for the environment and climate change.

While the House of Representatives is in recess this week, the Senate is in session and will hold several hearings related to energy and the environment.

### CONGRESS

#### Upcoming Hearings

March 8 the Senate Energy and Natural Resources Committee held a hearing to examine the U.S. Forest Service's budget request for Fiscal Year 2017.

March 9 the Senate Appropriations Subcommittee on Energy and Water Development holds a hearing on the Department of Energy Fiscal Year 2017 budget request with testimony from Energy Secretary Moniz.

March 9 the Senate Environment and Public Works Committee holds a hearing on “Cooperative Federalism: State Perspectives on EPA Regulatory Actions and the Role of States as Co-Regulators.”

March 15 the Senate Energy and Natural Resources Committee holds a hearing to examine the presidential memorandum on “Mitigating Impacts on Natural Resources from Development and Encouraging Related Private Investment.”

March 15 the House Appropriations Subcommittee on Energy and Water Development holds a hearing on Department of Energy Environmental Management.

### **Secretary Jewell Testifies on Interior Department Budget**

On March 1 Interior Secretary Sally Jewell [testified](#) before the House Committee on Natural Resources where she outlined the Department of Interior’s budget request for Fiscal Year 2017. She argued that the Administration’s budget was a responsible plan that would support the economy, lay the groundwork for promoting renewable energy, and take steps toward combating climate change.

### **Secretary Moniz Testifies on Energy Department Budget**

The House Appropriations Committee on March 1 heard testimony from Secretary of Energy Ernest Moniz to review the Administration’s Fiscal Year 2017 budget request for the Department. Secretary Moniz also testified before the House Committee on Energy and Commerce and the Senate Committee on Energy and Natural Resources. The budget request includes \$2.3 billion in increased mandatory funding as well as \$2.9 billion for the Office of Energy Efficiency and Renewable Energy, a 40-percent increase from current levels. The request would also cut fossil fuels programs by \$231 million to a total of \$638 million, a decrease of 27-percent.

### **Legislation Introduced to Create Alternative Fuel Infrastructure Grant Program**

On March 2, Rep. Loebsack (D-IA) introduced legislation to establish a competitive grant program for renewable fuel infrastructure. The [Renewable Fuel Utilization, Expansion and Leadership \(Re-FUEL\) Act](#) will create new infrastructure and retrofit existing infrastructure, including pumps for biofuels and hydrogen, tanks, piping and electric vehicle chargers.

### **House Considers Pipeline Safety Reauthorization**

The House Energy and Commerce Committee on March 2 held a hearing to review legislation to examine pipeline safety reauthorization. The hearing featured Pipeline and Hazardous Materials Safety Administration (PHMSA) administrator Marie Therese Dominguez.

### **Senate Approves Pipeline Safety Legislation**

On March 3 the bipartisan pipeline safety [SAFE PIPES Act](#) passed the Senate by unanimous consent, reauthorizing the Pipeline and Hazardous Materials Safety Administration, and leaving further action to the House which held a hearing last week. Senators who had blocked action on the bill relented after reaching a compromise on the bill’s provisions on redacted proprietary information in risk management plans. PHMSA’s authorization ended September 30, 2015.

### **Resolution Calls for 50 Percent Clean and Carbon Free Electricity**

Sen. Cardin (D-MD) and Reps. Delaney (D-MD) and Lujan (D-NM) introduced Senate and House [resolutions](#) calling for a goal of more than 50-percent clean and carbon-free electricity by 2030 in order to avoid the worst impacts of climate change, grow the economy, increase shared prosperity, improve public health, and preserve the national security of the United States.”

### **Sen. Markey Hopes to Extend Coastal Wind Farm Tax Credit**

Sen. Ed Markey (D-MA) plans to introduce legislation to extend federal tax credits for wind farm development in coastal waters. The proposed legislation, which would provide a 30-percent credit for development costs, is set to expire at the end of the year. Sen. Markey’s legislation would extend the credit until 2025.

### **Lawmakers Request GAO Review of Yucca Mountain Application**

Reps. Shimkus (R-IL) and Upton (R-MI) have requested that the Government Accountability Office (GAO) study if the Energy Department can complete its review of the Yucca Mountain nuclear waste license application. The lawmakers are asking for a review after the Obama Administration directed the Department to halt its work on the

application in 2010.

## ADMINISTRATION

### State Department Sends Funds to Green Climate Fund

The State Department announced March 8 that the U.S. has paid \$500 million to the Green Climate Fund. This is the first payment toward the Administration's multi-year pledge of \$3 billion. Congressional Republicans have objected to President Obama's intention to send payments to the fund, and did not include funding for the fund in the Fiscal Year 2016 omnibus spending bill last year. However, while the omnibus did not include funding, it did not preclude the State Department from using other funding for this purpose. The payment from State has quickly drawn criticism from Senate Republicans, with Senator Barrasso (R-WY) indicating that the GOP will look into whether the State Department violated the law by making the payment.

## DEPARTMENT OF ENERGY

### Energy Summit Attracts Government and Climate Leaders

The Advanced Research Projects Agency-Energy (ARPA-E) Summit was held in suburban Washington, DC February 29-March 2, and was attended by a number of policymakers and climate leaders, including Energy Secretary Moniz, Environmental Protection Agency Administrator Gina McCarthy, Senate Energy and Natural Resources Committee chair Senator Murkowski (R-AK), and former vice president Al Gore. In his remarks, Secretary Moniz defended increased funding for DOE programs for high-potential, high-impact technologies that may not be mature enough for private sector investment. Secretary Moniz also argued that it will be difficult for a future Republican administration to reverse the Obama Administration's energy efficiency regulations covering water heaters, air conditioners, ceiling fans, dishwashers, and other appliances and equipment.

### Wave Energy Prize Finalists Announced

The DOE [announced](#) March 1 the nine teams chosen as finalists in the Wave Energy Prize. The Prize is a 20-month design-build-test competition that aims to double the energy captured from ocean waves.

### Super Truck II Funding Opportunity

The DOE also [announced](#) March 1 the \$80 million Super Truck II funding opportunity at the Green Truck Summit in Indianapolis, IN. Super Truck II projects will research, develop, and demonstrate technologies to improve heavy-truck freight efficiency by more than 100-percent, relative to a manufacturer's best-in-class 2009 truck, with an emphasis on technology cost-effectiveness and performance.

### Webinar on EV Charging on College Campuses

The DOE will present a live [webinar](#) titled "Higher Ed Plug-In Electric Charging Webinar" March 10 to discuss how the Department's EV Everywhere Workplace Challenge is working with higher education campuses to install chargers for plug-in electric vehicles.

## ENVIRONMENTAL PROTECTION AGENCY

### SCOTUS Denies Request for Stay of MATS

The Supreme Court announced March 3 that Chief Justice Roberts had denied a request by 20 states to stay the Environmental Protection Agency's Mercury and Air Toxics Standards for power plants. The EPA had, on March 2, argued before the court that the states had not met the legal requirements for a stay of the rule, and the agency now says it will in April issue a final supplemental rule.

### Administrator Speaks at NLC Conference

Administrator Gina McCarthy spoke at the National League of Cities' annual Congressional City Conference in Washington, DC March 7 about how EPA is collaborating with state, local, and tribal partners and working with business, industry and stakeholders to find solutions to complex environmental issues and build a sustainable future.

### Senator Inhofe Questions Ability of Deputy Administrator to Serve

Sen. Inhofe (R-OK), chairman of the Senate Environment and Public Works Committee, [wrote](#) to EPA administrator Gina McCarthy March 8 questioning the legal authority for Albert Stanley Meiburg to serve as acting deputy administrator of EPA while his nomination is pending before the Senate.

## FEDERAL ENERGY REGULATORY COMMISSION

### Court Rules Against FERC in Rates Case

The D.C. Circuit Court of Appeals on March 8 [ruled](#) that FERC was remiss in not correcting mistakes it has previously admitted to making in its handling of a rate case. The rate case was brought by Xcel Energy over FERC orders that it said allowed the imposition of rates by a transmission owner that regulators had previously found to be unjust.

## INTERNAL REVENUE SERVICE

### IRS Finalizes Renewable Energy Regulations

On March 2 the IRS released final regulations on renewable energy provisions that apply to property owners who are claiming the low-income housing credit. The regulations aim to promote energy efficiency and maintain the financial stability of housing credit properties.

## NUCLEAR REGULATORY COMMISSION

### Outgoing Commissioner Criticizes Government on Nuclear Waste Disposal

Speaking at the NRC's annual regulatory conference March 8, outgoing commissioner William Ostendorff said that the government has not adequately addressed the issue of commercial nuclear waste disposal. Commissioner Ostendorff announced in February that he would not seek another term and would leave the agency this summer. This was his last regulatory conference.

## INTERNATIONAL

### India to Appeal WTO Solar Ruling

India plans to appeal a World Trade Organization (WTO) ruling on a domestic content requirement for its solar power generation program. On February 24 a WTO dispute panel backed a U.S. complaint, ruling that India's program discriminate against foreign manufacturers by requiring the use of Indian-made cells and modules. India's president Narendra Modi is expected to address the disagreement with U.S. government officials while in Washington for the upcoming 2016 Nuclear Security Summit.

### European Union Says No Changes Needed to Climate Policy

The European Commission published an assessment that claimed no changes were needed to planned climate policies as a result of the United Nation's Paris climate agreement. EU members have agreed to reduce greenhouse gas emissions by 40-percent by 2030 and make renewable energy 27-percent of total energy consumption by the same year.

### Off-Grid Solar Energy Expected to Benefit Developing Economies

According to published reports, approximately 99 million electrified households could receive power from solar panels by the end of the decade. A massive scale-up in investment and deployment of off-grid energy has resulted in significant growth for solar power. Sales of off-grid solar products are forecast to reach \$3.1 billion by 2020.

## STATES

### Oregon Legislature Doubles Renewable Energy Mandate

The Oregon state senate March 2 voted to double the state's renewable energy mandate to 50-percent by 2014 as well as force the state's two largest utilities to eliminate energy generated by coal by 2030. As a result of the legislation, green energy groups agreed to drop a ballot initiative that would have aggressively phased out coal.

## SUSTAINABILITY

### No New Coal Projects for JPMorgan Chase

In its [Environmental and Social Policy Framework](#) released March 7 JPMorgan Chase & Co. says that it will no longer build new coal mines or coal-fired power plants in the industrialized world. Similar commitments have been made by Bank of America Corp., Citigroup Inc., Morgan Stanley, and Wells Fargo & Co.

## MISCELLANEOUS

### Nasdaq Plans to Issue Sustainability Reporting Guidance

On March 1 seven Nordic and Baltic exchanges announced that they would issue sustainability reporting guidelines by the end of 2016. Fifteen exchanges already have such guidelines, while the Nordic and Baltic plan brings to 20 the number of exchanges that have pledged to do so.

### Governors Receive Letters Regarding Energy Efficiency in the Clean Power Plan

More than 40 organizations and businesses joined March 2 to send letters to 34 governors regarding the importance of implementing energy efficiency within state Clean Power Plan implementation methods. The letters and state-specific fact sheets are available at the Alliance to Save Energy's [website](#).

### U.S. Energy Storage Market Expected to Grow

According to a [report](#) from GRM Research, the U.S. energy storage market will grow to 1.7 gigawatts valued at \$2.5 billion by 2020. In 2015, installed storage came to 221 megawatts, which is more than the previous two years combined. Increases in renewable energy production and state policies have made it cheaper to pair solar energy and storage, contributing to the market's growth.

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