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ENERGY & ENVIRONMENT UPDATE

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ENERGY AND CLIMATE DEBATE

Congress returns this week from a two-week recess with the primary focus to be on President Obama's Fiscal Year 2014 budget request. Several hearings will be held this week to examine the president's budget proposal.

CONGRESS

Treasury Responds to Bennet Letter on PTC Guidance

On March 28, Assistant Treasury Secretary for Legislative Affairs Alastair Fitzpayne responded to a letter written by Sen. Michael Bennet (D-CO). The Bennet letter, which was sent on March 4 and was cosigned by 16 senators, urged Treasury to quickly complete guidance on what actions constitute "beginning construction" for purposes of the Section 45 renewable energy production tax credit (PTC) and the Section 48 energy investment tax credit (ITC). The American Taxpayer Relief Act of 2012 (ATRA) modified the two credits by having them apply to projects that have begun construction by the end of 2013, rather than those that have been placed in service by the end of the year. The Department and the IRS are currently working on guidance on the issue.

Vitter, Sessions Letter to EPA

On April 1, Senate Environment and Public Works Ranking Member David Vitter (R-LA) and Sen. Jeff Sessions (R-AL) sent a letter to the Environmental Protection Agency (EPA) on revisions to state implementation plans to control emissions during the startup and shutdown of a plant. After receiving a petition from the Sierra Club, the EPA revised 36 state implementation plans to better comply with the Clean Air Act. One day after the letter was sent the EPA announced it would extend the comment period for the proposed rule from April 11 to May 13.

Draft Coal Ash House Bill

On April 4, the House Energy and Commerce Subcommittee on Energy and the Environment released a discussion draft of the Coal Ash Recycling and Oversight Act of 2013, which would allow

states to establish and manage programs regulating the storage of coal ash. Coal ash is currently regulated by the EPA's municipal solid waste program. The draft bill, written by Rep. David McKinley (R-WV), is similar to a bill introduced in the Senate in 2012 and is more moderate than a bill passed by the House in 2011. It will be examined during a subcommittee hearing on April 11.

Senators Write CEQ

On April 4, Sens. John Barrasso (R-WY), Orrin Hatch (R-UT) and James Inhofe (R-OK) wrote White House Council on Environmental Quality (CEQ) Chairwoman Nancy Sudley to urge CEQ not to issue guidance that would require federal agencies to consider the greenhouse gas emissions produced outside the United States by American exports when evaluating the environmental impacts of projects. The three senators argued that requiring agencies to do so would set a precedent that could be used to block future American exports.

Draft EPA Regulation Cost Bill

On April 5, Rep. Ed Whitfield (R-KY) released a draft bill that would stop the Environmental Protection Agency from finalizing new rules that would increase energy costs by more than \$1 billion. The draft bill, entitled the Energy Consumers Relief Act, will be the subject of the House Energy and Commerce's Subcommittee on Energy and Power hearing this Friday.

Opposition to McCarthy's Nomination

The Senate Environment and Public Works Committee will host a hearing on April 11 to consider the nomination of current Environmental Protection Agency (EPA) Assistant Administrator for Air and Radiation Gina McCarthy to be EPA Administrator. While she will likely be confirmed, Senate Republicans are expected to question McCarthy on agency transparency, air standards for industrial boilers, greenhouse gas emission standards, hydraulic fracturing, national ambient air quality standards, and sulfur in gasoline. Sen. John Barrasso (R-WY), an Environment and Public Works Committee member, has said he considered placing a hold on the nomination.

Senate to Review DOE Budget

The Senate Energy and Natural Resources Committee will review the proposed Department of Energy FY2014 budget on April 18.

Senate Natural Gas Forums

The Senate Energy and Natural Resources Committee will host three public roundtable forums on specific natural gas issues in May, building upon their general topic hearing in February. On May 16, the committee will review pipeline infrastructure and natural gas use in the transportation sector. On May 21, the committee will examine domestic supply estimates and the costs and benefits of exporting natural gas. On May 23, the committee will look at gas extraction, focusing on industry best practices and environmental concerns.

Bills Introduced

With Congress in recess last week, no bills were introduced.

Upcoming Hearings

- The Senate Energy and Natural Resources Committee will host an April 9 hearing to consider the nomination of Ernest Moniz to serve as Secretary of Energy.
- The same day, the Senate Homeland Security and Governmental Affairs Committee will consider the nomination of Sylvia Burwell to be Director of the Office of Management and Budget.

- The House Energy and Commerce's Subcommittee on Energy and power will hold a Keystone XL pipeline hearing on April 10. The focus of the hearing will be on H.R. 3, the Northern Route Approval Act.
- The Senate Environment and Public Works Committee will hold an April 11 hearing to consider the nomination of Gina McCarthy to serve as Administrator of the Environmental Protection Agency (EPA).
- The same day, the House Energy and Commerce Subcommittee on Environment and the Economy will review a draft bill on coal ash. The draft is identical to S. 3512 from the 112th Congress; that bill was a compromise to H.R. 2273, the Coal Residuals Reuse and Management Act.
- Also on April 11, the House Appropriations Subcommittee on Energy and Water will hold a hearing on nuclear waste programs with testimony from Assistant Energy Secretary Pete Lyons, former Blue Ribbon Commission member Susan Eisenhower, and Rodney Ewing of the Nuclear Waste Technical Review Board.
- On April 12, the House Energy and Commerce Subcommittee on Energy and Power will hold a hearing on a draft bill, entitled the Energy Consumers Relief Act, which would prevent the Environmental Protection Agency from issuing a regulation that would cost more than \$1 billion in energy costs.
- That same day, the House Appropriations Subcommittee on Military Construction will hold a hearing on the Defense Department's installations, energy, and environment programs.

ADMINISTRATION

Climate Change Action Does Not Hurt Economy

On April 3, President Obama urged Democrats to show that work on climate change issues does not lead to economic downturns. Speaking at a fundraiser in San Francisco, the President advocated for investment in clean energy, saying investment will spur industry and job creation in these tough economic times. He called the choice between the economy and the environment a false choice.

Alaska Working Group Recommendations

On April 4, the Interagency Working Group on Coordination of Domestic Energy Development and Permitting in Alaska, led by Interior Department Deputy Secretary David Hayes, sent a report to President Obama that urges increased coordination to deal with environmental and energy issues in the Arctic. The group recommended a comprehensive approach to oil and gas permitting and said the White House should develop a new national strategy for the Arctic.

White House Budget

On April 10, the White House is scheduled to release its Fiscal Year 2014 budget proposal. Although the proposal has already been rejected by House Speaker Boehner over revenue increases, it will provide some insight into the Obama Administration's priorities for the coming year.

DEPARTMENT OF ENERGY

Secretary Chu Departure

On April 1, it was reported that Secretary of Energy Steven Chu will leave the Department before April 23. He previously announced that he would leave once his successor is confirmed. While the exact date has yet to be decided, the Secretary will still present the Department of Energy's budget

this week. Chu will return to Stanford University and will work in physics department as well as the molecular and cellular physiology department.

Energy Savings Performance Contracts

On April 3, the Department of Energy released a notice seeking comments on how to improve the energy savings performance contracts process. The request asks for comments on energy saving measurement methods, the removal of contractors for nonperformance, and the standardization of the process. The contracts, facilitated by the Department of Energy, help agencies meet the energy savings targets set by Executive Order 13514.

USEC Enrichment Construction

On April 3, USEC announced that it finished the construction phase of a 120-centrifuge cascade unit at its Ohio project. The plant will have 96 of these enrichment units at the commercial stage. This construction was facilitated by a cost-sharing agreement between USEC and the Department of Energy. The company will reapply for a Department of Energy loan guarantee valued at \$2 billion later this year.

Bioenergy Research Centers Continued

On April 4, the Department of Energy announced it would continue to fund three Bioenergy Research Centers for five years. The Lawrence Berkeley National Laboratory, the Oak Ridge National Laboratory, and the University of Wisconsin-Madison in conjunction with Michigan State University, will each receive \$25 million, as long as Congress approves the funding, to coordinate advanced biofuels research. The centers were created in 2007, and serve as a model for the Energy Innovation Hubs.

REED Database

On April 5, the Department of Energy praised the Northeast Energy Efficiency Partnerships' (NEEP's) Regional Energy Efficiency Database (REED), which provides information on avoided emissions, energy costs, energy savings, and job impacts. The project focuses on Connecticut, Maine, Maryland, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont; the project currently has 2011 data and will add to its study Delaware and Washington, D.C. when it releases 2012 data in the fall. A webinar on REED will be held on April 8.

EIA Carbon Dioxide Emissions

On April 5, the Department of Energy's Energy Information Administration released a report that said carbon dioxide emissions from energy consumption fell to their lowest level in nearly two decades in 2012. The decrease of 3.6 percent from 2011 levels was due to a shift from coal to natural gas, a mild winter, and lower demand for transportation fuels.

ENVIRONMENTAL PROTECTION AGENCY

Water Reuse and Energy Recovery Report

On March 27, the Environmental Protection Agency (EPA) released its report "Blueprint for Integrating Technology Innovation into the National Water Program." The purpose of the report was to identify ways to protect water resources, improve infrastructure, and mitigate the impacts of climate change. Suggestions include using methane from water treatment processes to power generators; currently, water utilities cumulatively use 56 billion kilowatts or 4 percent of the electricity used in the U.S.

Coal Ash Technical Report

On March 28, the Environmental Protection Agency (EPA) received a technical report from the Electric Power Research Institute (EPRI) on coal ash pond closings. The report addressed the 2010 proposed rule on closing ponds within 180 days of final delivery of coal ash, and it said the time limit should be set around site-specific conditions. It also explained a safe closing takes time in order to gradually decrease water pressure; industry stakeholders previously said the 180 day limit was not realistic.

Cross-State Air Pollution Rule Challenge

On March 29, the Environmental Protection Agency (EPA) filed a petition with the Supreme Court to consider a ruling by the U.S. Court of Appeals for the District of Columbia Circuit on the Cross-State Air Pollution Rule. The rule was published in August 2011 and was designed to help downwind states meet clean air standards by reducing power plant emissions. The Circuit Court ruled that the agency should have allowed states to issue implementation plans rather than creating federal plans. The EPA said the ruling will prevent the agency from addressing a serious public health problem.

Data-Quality Standards Comment Period Ends

On March 29, the comment period ended for Environmental Protection Agency (EPA) draft standards for environmental data collection, production, and use by non-agency organizations. The drafts were first released in December 2012, and the comment period was extended twice. Most of the comments said the standards would place a burden on states by straining resources and by delaying other permits. The Michigan Department of Environmental Quality responded that the EPA did not provide rationale or justification for the standards, and the Computer Sciences Corp. (CSC) said the standards would create more confusion.

Boiler Rule Challenge

On March 29 and April 1, eleven separate suits were filed in the U.S. Court of Appeals for the District of Columbia Circuit over the Environmental Protection Agency (EPA) final rule on air toxic standards for industrial boilers. The rule adjusted the emission limits and gave industry more time to comply with the standards; it has been challenged for several reasons including implementation issues and weak standards. The petitioners, who are expected to be combined into a single case, are the American Chemistry Council, the American Forest and Paper Association, the American Petroleum Institute, Eastman Chemical Co., the Auto Industry Forum, the Coalition for Responsible Waste Incineration, the Council of Industrial Boiler Owners, JELD-WEN Inc., the Louisiana Environmental Action Network, the U.S. Sugar Corp., and the Utility Air Regulatory Group.

Dominion Power Plant Closing

On April 1, Dominion Energy Inc. reached an agreement with the Environmental Protection Agency (EPA) following a 2008 investigation of permitting violations under the Clean Air Act. The settlement includes the closing of a plant in Indiana and the installation of \$325 million worth of pollution control technology at plants in Illinois and Massachusetts. In addition, Dominion agreed to pay \$9.75 million in environmental mitigation projects and \$3.4 million as a civil penalty.

Hydraulic Fracturing Panel Membership

On April 1, the Environmental Protection Agency (EPA) released the full member list of the newly formed Hydraulic Fracturing Research Advisory Panel. The panel, which will meet on May 7 and 8, is designed to review the agency's report on hydraulic fracturing's impact on drinking water. Of the 31 members, 21 are from universities and 2 are scientists in the federal government; there are also private sector representatives. It will be chaired by David Dzombak of Carnegie Mellon University.

Air Quality Standards Case Denied

On April 1, the Supreme Court declined to hear an appeal by the American Petroleum Industry (API) on a case involving Environmental Protection Agency (EPA) ambient air quality standards for nitrogen oxides. The U.S. Court of Appeals for the District of Columbia Circuit recently upheld these standards. The API asked the Supreme Court to consider what expectations and standards the agency should use when creating regulations.

Backup Generator Challenge

On April 1, four separate suits were filed against the Environmental Protection Agency (EPA) in the U.S. Court of Appeals for the District of Columbia Circuit over a January 30 final rule regarding backup stationary engines. The rule allows these generators to operate for up to 100 hours during peak-use periods and emergencies without emissions controls. The EPA explained this rule lets internal combustion engines participate in emergency demand programs. The suits are expected to be combined; the petitioners are the Conservation Law Foundation, Delaware Department of Natural Resources and Environmental Control, First Energy Solutions Corp., and the National Rural Electric Cooperative Association.

Industry Global Warming Potential Reporting

On April 2, the Environmental Protection Agency (EPA) released a proposed rule to revise global warming potential values that industry stakeholders use to calculate annual greenhouse gas emissions for reporting standards. The values, listed in Table A-1 of the reporting rule, would increase the global warming potential for methane and would add 26 fluorinated greenhouse gases to the list. The goal of the revision is to better reflect the values in the Intergovernmental Panel on Climate Change's Fourth Assessment Report which was released in 2007.

Boiler Standards Challenge

On April 2, two lawsuits were filed and eventually consolidated in the U.S. Court of Appeals for the District of Columbia Circuit regarding the Environmental Protection Agency (EPA) air toxic standards for area source boilers final rule. The rule limits mercury and carbon monoxide emissions, and is expected to cost boiler owners \$490 million annually to comply. Plaintiffs are the Louisiana Environmental Action Network, the American Chemistry Council, the American Forest and Paper Association, the American Wood Council, the Clean Air Council, the Corn Refiners Association, the Council of Industrial Boiler Owners, the Environmental Integrity Project, the National Association of Manufacturers, the Partnership for Policy Integrity, the Rubber Manufacturers Association, the Sierra Club, the Southeastern Lumber Manufacturers Association, and the U.S. Chamber of Commerce.

Imported Chinese Vehicle Standards

On April 3, the Environmental Protection Agency (EPA) announced it has reversed its approval of imported all-terrain vehicles and on- and off-road motorcycles from China, citing a failure to conform to federal emission standards with proper controls. The vehicles were manufactured by Snyder Technology Inc. and Snyder Computer Systems Inc., which operates as Wildfire Motors Corp.; the vehicles previously received certificates to operate between 2006 and 2012. Up to 74,000 vehicles may be impacted by this decision.

2011 Cellulosic Ethanol Requirement Reconsideration

On April 3, the Environmental Protection Agency (EPA) told the U.S. Court of Appeals for the District of Columbia Circuit that it would reconsider the 2011 requirement to blend 6.6 million gallons of cellulosic biofuels. The announcement comes as part of a case involving the American Fuels and Petrochemical Manufacturers, the American Petroleum Institute, and the Western States

Petroleum Association; the plaintiffs challenge the standard, saying the EPA denied petitions to reconsider the requirement after no fuel was produced that year. The EPA requested that the court holds any petroleum industry lawsuit while it reevaluates the requirement.

American Lung Association Tier 3 Report

On April 4, the American Lung Association published its report conducted by the Clean Air Task Force titled, "A Penny for Prevention: The Case for Cleaner Gasoline and Vehicle Standards." The report urged the Environmental Protection Agency (EPA) to make gasoline and vehicles cleaner, explaining that tighter emissions standards would produce anywhere between \$8.5 billion and \$22 billion in economic and health benefits annually in 2030. The report also said cleaner gasoline would equate to taking 33 million cars off the road.

API Tier 3 Report

On April 4, the American Petroleum Institute released its report "Effects of Light-duty Vehicle Emissions Standards and Gasoline Sulfur Level on Ambient Ozone," prepared by ENVIRON International Corporation. The report said the Tier 3 proposed rule, which would reduce the amount of sulfur in gasoline from 30 parts per million to 10ppm, would reduce ozone levels by less than 1 percent. The API said the Tier 3 rule will have marginal benefits compared to Tier 2 which lowered sulfur concentrations in gasoline from 300ppm to 30ppm.

McCarthy Meets with Biofuels Groups

On April 4, Environmental Protection Agency (EPA) Administrator nominee Gina McCarthy met with officials from top biofuels groups, including representatives from the Advanced BioFuels Association, the Advanced Ethanol Council, the American Coalition for Ethanol, the Biotechnology Industry Organization, Gevo, Growth Energy, the National Biodiesel Board, and the Renewable Fuels Association. At the meeting, McCarthy reportedly reiterated the Obama Administration's commitment to protecting the Renewable Fuel Standard.

EPA to Hold Tier 3 Hearings

The Environmental Protection Agency (EPA) will host two public hearings in late April on its proposed Tier 3 rule to reduce sulfur levels in gasoline. One hearing will be held on April 24 in Philadelphia; the other will be held on April 29 in Chicago.

DEPARTMENT OF INTERIOR

WCS Report On Alaska Birds

On April 2, the Wildlife Conservation Society released a report, conducted for the Department of Interior, which assessed climate change in northern Alaska. The report concluded that the rapidly changing climate in that region jeopardizes nine species of Arctic-breeding birds. However, the warmer temperatures could also increase populations of five other bird species.

DEPARTMENT OF COMMERCE

Advisory Committee Panel Head

On April 5, Acting Commerce Secretary Rebecca Blank announced the appointment of John Smirnow to lead the Department's Renewable Energy and Energy Efficiency Advisory Committee. Smirnow currently serves as Vice President of Trade and Competitiveness at the Solar Energy Industry Association.

DEPARTMENT OF DEFENSE

Renewable Energy Projects on Army Land

On April 1, the Army Energy Initiatives Task Force (EITF) and the Army Mission and Installation Contracting Command opened a period of comment for a proposal to develop a standardized Utility Service Contract Performance Work Statement (PWS) for contracts executed by the Army. The goal is to decrease the need for discussions and clarifications while improving the understanding of government requirements and industry capabilities. A webinar on the proposal will be held on April 11.

DEPARTMENT OF THE TREASURY

Inflation Adjustments for Energy Credits

On April 1, the Internal Revenue Service (IRS) released the calendar year 2013 inflation adjustment factors for Indian coal, refined coal, and renewable energy production; the factors are used to determine the availability of credits for these energy sources. The factor for certain energy sources and coal is 1.5063 while the factor for Indian coal is 1.1538. In addition, the IRS reported the reference price for wind electricity is 4.53 cents per kilowatt hour and the reference price for fuel used as feedstock is \$58.23 per ton.

Energy Tax Credit Changes

On April 3, the Internal Revenue Service (IRS) announced it would raise the production tax credit for closed-loop biomass, geothermal, and wind energy from 2.2 cents per kilowatt-hour to 2.3 cents. The increase is part of the usual update for inflation. The tax credit for landfill trash combustion, hydrokinetic renewable energy, some hydropower, open-loop biomass, and small irrigation power will stay at 1.1 cent per kilowatt-hour.

DEPARTMENT OF AGRICULTURE

Sugar to Ethanol Rule

On April 6, the Department of Agriculture's Farm Service Agency and Commodity Credit Corporation sent to the White House a proposed rule that would allow the federal government to trade excess sugar for biofuel. The rule, which the White House Office of Information and Regulatory Affairs has 90 days to review, would allow the federal government to purchase excess sugar and sell it to biofuel manufacturers under the Feedstock Flexibility Program for Bioenergy Producers.

INTERNATIONAL

China Climate Finance Policy

On March 22, the Climate Group and the Research Center for Climate and Energy Finance at China's Central University of Finance and Economics released its report "Shaping China's Climate Finance Policy." The report, sent to the Chinese government, found that the country must raise \$243 billion per year, or about 2 percent gross domestic product (GDP), by 2020 to mitigate the impact of climate change.

Mexico HCFC Reduction Goal

On March 31, the Environment Secretariat of Mexico announced the country will attempt to reduce hydrochlorofluorocarbons (HCFCs) by 30 percent by 2018 and to reduce fluorinated gas emissions by an unspecified target. Both HCFCs and fluorinated gases are used as refrigerants, and fluorinated gases are also used in air conditioning and foam manufacturing. They are both known to contribute to global warming.

Energy and Economic Stability

On April 2, the International Monetary Fund (IMF) Managing Director Christine Lagarde said the impact of global warming on economic growth means the IMF needs to play an important role in the climate change discussions. Lagarde said it is important to correctly calculate carbon prices. In addition, energy subsidies play a major role in budgets. The IMF recently urged countries to reform their energy subsidy practices.

Climate Action Predictions

On April 2, London School of Economics Grantham Research Institute Chairman Lord Nicholas Stern said 2013 presented the best opportunity yet to have bold global climate change action. Speaking at a joint International Monetary Fund (IMF) and World Resources Institute (WRI) event, Stern said the fact that the U.S. and China do not have elections scheduled for the next few years means the two countries can emerge as climate action leaders. He also praised continued climate work by Ethiopia, India, Mexico, South Africa, the IMF, and the World Bank.

India WTO Case

On April 4, Sierra Club Trade Representative Ilana Solomon urged the Administration to stop supporting a World Trade Organization (WTO) trade case against India for its subsidization of utilities that purchase domestically manufactured solar panels. U.S. trade officials claim the subsidy fails to equally treat foreign and domestically produced goods, a key principle of the WTO.

OECD Climate Change Adaptation

On April 4, the Organization for Economic Cooperation and Development reported that government spending for climate change adaptation in developing countries had fallen 40 percent in 2011, to \$1.8 billion from \$3.1 billion in 2010. The decrease in spending is likely due to the negative impact the financial crisis had on developing countries' budgets.

STATES

California Environmental Lawsuits Ruling

On March 29, the California Superior Court tentatively released a ruling on a case challenging a provision of state law that allows lawsuits filed under the California Environmental Quality Act (CEQA) to go directly to a state court of appeal, rather than trial court. The judge, who said from the bench that the law was unconstitutional, will release a written decision soon. The law, which sunsets in January 2015, pertains to projects that are certified to be environmentally friendly by the governor, that have no net increases in emissions, and that have over \$100 million in investment by completion.

Pacific Northwest Coal Export Terminals Report

On March 29, the U.S. Army Corps of Engineers, the Washington Department of Ecology, and Whatcom County released an Environmental Impact Statement Scoping Summary Report on the proposed Gateway Pacific Terminal. The report summarized the approximately 125,000 public

comments on the Washington State coal-export terminal. The content of the environmental impact statement will be decided in the next few weeks.

WIFIA Recommendation

On March 29, the Environmental Council of the States (ECOS), the Association of Clean Water Agencies, the Association of State Drinking Water Administrators, and the Council of Financing Infrastructure released their report "States' Alternative Proposal to WIFIA." The report addresses the Water Infrastructure Finance and Innovation Act of 2013 (S. 335) which was introduced by Sen. Jeff Merkley (D-OR) and was later incorporated into the Water Resources Development Act (S. 601). The report recommends that states, not the Environmental Protection Agency (EPA), manage the federal loan guarantee program for flood control and wastewater infrastructure projects.

California Truck Program Challenge

On April 1, the Supreme Court agreed to allow U.S. Solicitor General Donald Verrilli to argue against a concession agreement involving the clean truck program at the Port of Los Angeles. The case challenges a decision by the U.S. Court of Appeals for the Ninth Circuit which placed a federal market participant exception on a city port. The resulting concession plan includes off-street parking to prevent idling and the posting of telephone numbers to report diesel emissions. The court will hear oral arguments on April 16.

South Dakota Fracking Registration

On April 2, the South Dakota bicameral Rules Review Committee approved the state's Department of Environmental and Natural Resources proposal to require companies that hydraulic fracture natural gas to register with the FracFocus Chemical Disclosure Registry. The companies must report the contents of their hydraulic fracturing fluid, excluding trade secrets. The state currently has a small hydraulic fracturing industry, although the industry is expected to grow given its proximity to booming North Dakota.

Michigan Proposal Review Report

On April 4, the Sierra Club released its report, "The State of Detroit's Environment: An Initial Assessment Using the Framework of Environmental Justice," which evaluated the city of Detroit's redevelopment proposal. The report said the proposal did not fully consider the health of all residents and could result in climate change hazards. The Sierra Club recommended that the Michigan Department of Environmental Quality create strict permit requirements for new facilities in the city.

North Carolina Renewable Energy Mandate Repeal Bill

On April 4, the North Carolina House Commerce and Job Development Subcommittee on Energy and Emerging Markets approved HB 298, the Affordable and Reliable Energy Act, by a vote of 11 to 10. The bill would repeal the North Carolina renewable energy mandate which requires public utilities to use renewable energy. The bill has been referred to three other House committees.

CA Fracking Reporting Requirements

On April 5, the South Coast Air Quality Management District, by a vote of 8-0, adopted notification and reporting requirements for hydraulic fracturing activities in the Los Angeles area. The new rule is thought to be the strictest in the country for information about fracking activities.

SUSTAINABILITY

Sustainability Reports Link to Stock Performance

On April 3, Bloomberg LP analyst Rina Levy explained that companies that report sustainability data using Global Reporting Initiative (GRI) guidelines have better stock performance than the benchmark for global companies in the MSCI world index. Addressing a GRI webinar on data assurance in sustainability, Levy said that management of sustainability issues means better management of risk. In the U.S., over 53 percent of Standard & Poor's (S&P's) 500 companies report on sustainability. Worldwide, 95 percent of the 250 largest companies generate sustainability reports; 80 percent of these reports use the GRI standards.

MISCELLANEOUS

Gallup Environmental Poll

On April 1, Gallup released the findings from an early March poll that asked Americans how they felt about environmental protection work by the federal government. 47 percent of respondents felt the government is not doing enough, 16 percent said the government is doing too much, and 35 percent responded the government was doing about the right amount of work on environmental issues. In 2006, 62 percent said the government was not doing enough and 4 percent said the government was doing too much; Gallup explained President Obama's time in office and the recession are the likely reasons as to why this shift occurred.

Mercury Thermostat Disposal Report

On April 2, a coalition of green groups released a report, "Turning up the Heat II," finding that just 8% of mercury from decommissioned thermostats was properly recycled over the last decade. The report was prepared by the Clean Water Fund, the Mercury Policy Project, Natural Resources Defense Council, and the Product Stewardship Institute; it argues that current voluntary programs are ineffective at preventing the mercury from being discarded as solid waste. It recommends that states pass laws requiring manufacturers to create state-based programs with financial incentives for participating, banning the production of mercury thermostats, and prohibiting the disposal of mercury thermostats as solid waste.

WRI Natural Gas Well Report

On April 4, the World Resources Institute released a report on reducing greenhouse gas emissions entitled "Cleaning the Air: Reducing Upstream Greenhouse Gas Emissions from U.S. Natural Gas Systems." The report identifies minimizing methane leaks on the production side as one cost-effective way to help meet the goal to reduce 2005 emissions levels by 17 percent by 2020. The report found that leaks in natural gas production account for 3 percent of total production.

Water Utility Emissions Methodology

On April 4, the Water Research Foundation released its report "Toolbox for Water Utility Energy and Greenhouse Gas Emission Management" which studied worldwide efforts to track emissions from water treatment facilities. The study showed that there is no universal methodology for tracking emissions and energy use; different locations require different approaches for measurement. The report advocated for the creation of a tool to quantify greenhouse gas emissions.

Greenhouse Gas Emissions Tracking Website

On April 4, Environment Northeast (ENE) launched Climatevision 2020, a website that tracks greenhouse gas emissions in Connecticut, Main, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont. The website also features emissions trends and policy data. The goal of the site is to consolidate Northeast emissions information as well as to promote data-driven discussions on climate change.