



## ML Strategies Update

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## Energy & Environment Update

### ENERGY AND CLIMATE DEBATE

The House and Senate are in session this week prior to recessing for the Memorial Day holiday, and the Highway Trust Fund, trade promotion authority, and appropriations are driving the remainder of the May agenda while energy and tax issues garner significant attention through multiple bill introductions and committee hearings.

As Senate Energy and Natural Resources Committee Chair Lisa Murkowski (R-AK) and Ranking Member Maria Cantwell (D-WA) plan to soon introduce their broad bipartisan energy package, they have told their colleagues to submit their legislation in anticipation of the larger package, which will include efficiency, infrastructure, supply, and accountability titles. Despite a May 7 committee-imposed deadline for bills to be considered for inclusion in the broad energy package, senators from both sides of the aisle introduced a large number of energy bills last week, and additional legislation is expected to continue trickling in for weeks to come. The Senate Energy and Natural Resources Committee has already held a hearing April 30 on 22 energy efficiency bills and a hearing May 14 on 22 infrastructure issues. This week, the committee will consider 30 bills for potential inclusion under the supply title of the legislation, and the committee will hold a final hearing, on accountability and oversight, the first week of June. Once the hearings are complete, committee staff will form joint working groups to put together official bill language, and markups will follow soon thereafter. In the meantime, Senator Cantwell continues to lead the effort to address energy tax extenders by reinstating, extending, or making permanent a handful of expired clean energy tax credits, including potentially incorporating them into a broad energy bill via a tax title, for which there is historical precedence. Earlier this year, Senator Cantwell's staff considered how to build on what then-Senator Max Baucus proposed last Congress on a technology neutral or performance based energy tax policy. Two of the Senate Finance Committee Working Groups, the Business Income Tax Working Group, co-chaired by Senators John Thune (R-SD) and Senator Ben Cardin (D-MD), and the Community Development and Infrastructure Working Group, co-chaired by Senators Dean Heller (R-NV) and Michael Bennet (D-CO), are claiming jurisdiction over the energy portions of tax reform. With comprehensive tax reform increasingly unlikely before the 2016 election cycle, Senator Cantwell is focusing her efforts on the tax extender pieces, including the Production Tax Credit, the Investment Tax Credit, the Advanced Manufacturing Tax Credit, and other clean energy provisions. She has already offered an amendment a number of times this session to make the clean energy tax provisions permanent, and plans to continue to offer the language to any moving legislation. The Senate Finance Committee posted April 29 nearly 1,500 public comment [submissions](#) to the tax reform working groups. The working groups have begun convening to present their progress reports, but negotiations are taking place behind closed doors. The groups are scheduled to report their final recommendations to Committee Chair Orrin Hatch (R-UT) and Ranking Member

Ron Wyden (D-OR) by May 25.

## CONGRESS

### Nuclear Opportunities

During a speech before the Nuclear Energy Institute May 13, Senate Energy and Natural Resources Committee Chair Lisa Murkowski (R-AK) said that Senate energy legislation offers significant opportunity for the nuclear industry. Senators Murkowski and Maria Cantwell (D-WA) are in the midst of creating a broad bipartisan energy package.

### NEPA Guidance

Testifying before the House Natural Resources Committee May 13, White House Council on Environmental Quality Managing Director Christy Goldfuss said that White House revised draft [guidance](#) on greenhouse gas considerations during National Environmental Policy Act reviews does not require agencies to choose least-emitting alternatives, but instead provides a consistent approach across the federal government to addressing climate change. Committee Chair Rob Bishop (R-UT) said that the hearing is the first in a series to consider NEPA issues, and he plans to offer reform legislation in the near future.

### Federal Lands Leases

During a Senate Appropriations Subcommittee on Interior, Environment, and Related Agencies hearing on the Bureau of Land Management's fiscal year 2016 budget request May 13 Senate Energy and Natural Resources Committee Chair Lisa Murkowski (R-AK) critiqued the Department of Interior Bureau of Land Management's decisions over energy development on public lands, saying that bureaucratic delays make it difficult for oil and natural gas companies to buy and develop leases, despite their desire to begin production. Bureau Director Neil Kornze said that the agency has hastened its approval process, but that companies are not taking enough advantage of the drilling permits they have.

### ENR Infrastructure Hearing

The Senate Energy and Natural Resources Committee held a hearing May 14 to consider 22 energy infrastructure bills as Committee Chair Lisa Murkowski (R-AK) and Ranking Member Maria Cantwell (D-WA) work to craft a bipartisan broad energy package.

### Small Business CPP Input

Eighteen congressional Republicans sent a [letter](#) May 15 to Environmental Protection Agency Administrator Gina McCarthy saying that the agency has not provided sufficient time to consider input from small businesses on the Clean Power Plan before it finalizes the rule this summer. The Small Business Administration agrees that the agency has not provided small businesses with the necessary information to provide meaningful comments. The agency convened a Small Business Advocacy Review panel April 30. The group requests a response from Administrator McCarthy by June 5.

### Defense Funding Riders

The House approved May 15 the National Defense Authorization Act (H.R. 1735), which includes environmental and energy riders, including prohibiting until 2025 an Endangered Species Act listing on the greater sage grouse, the listing of which could increase oil and gas exploration restrictions, and restricting the Pentagon's ability to procure biofuels. The White House issued a veto threat for the legislation May 12.

### House Pipeline Permitting, Hydro Licensing, Grid Security

The House Energy and Commerce Committee unveiled draft legislation May 7 to expedite the federal permitting process for new natural gas pipelines and the licensing process for hydropower projects. The measures are components of a comprehensive energy bill the committee is putting together, which the Subcommittee on Energy and Power will consider during a May 13 hearing. The same day, the committee released a draft bill on energy reliability and security that intends to update the country's energy infrastructure, ensuring its security, resilience, and reliability; the subcommittee will consider that measure during a hearing May 19.

### Legislation Introduced

Senator Tom Udall (D-MN) introduced legislation (S. 1264) May 11 to amend the Public Utility Regulatory Policies Act of 1978 to establish a renewable electricity standard.

Senator Cory Gardner (R-CO) introduced legislation (S. 1270) May 11 to amend the Energy Policy Act of 2005 to reauthorize hydroelectric production incentives and hydroelectric efficiency improvement incentives.

Senator Ed Markey (D-MA) introduced legislation ([S. 1271](#)) May 11 to require the Secretary of the Interior to issue

regulations to prevent or minimize the venting and flaring of gas in oil and gas production operations in the United States.

Senator Ed Markey (D-MA) introduced legislation ([S. 1272](#)) May 11 to direct the Comptroller General of the United States to conduct a study on the effects of forward capacity auctions and other capacity mechanisms.

Senator Mazie Hirono (D-HI) introduced legislation (S. 1274) May 11 to amend the National Energy Conservation Policy Act to reauthorize federal agencies to enter into long-term contracts for the acquisition of energy.

Senator Jeff Merkley (D-OR) introduced legislation (S. 1275) May 11 to establish a Financing Energy Efficient Manufacturing Program in the Department of Energy to provide financial assistance to promote energy efficiency and onsite renewable energy technologies in manufacturing and industrial facilities.

Senator Bill Cassidy (R-LA) introduced legislation (S. 1276) May 11 to amend the Gulf of Mexico Energy Security Act of 2006 to increase energy exploration and production on the outer Continental Shelf in the Gulf of Mexico.

Senator Mazie Hirono (D-HI) introduced legislation (S. 1277) May 11 to improve energy savings by the Department of Defense.

Senator Lisa Murkowski (R-AK) introduced legislation (S. 1278) May 11 to amend the Outer Continental Shelf Lands Act to provide for the conduct of certain lease sales in the Alaska outer Continental Shelf region and to make modifications to the North Slope Science Initiative.

Senator Mark Warner (D-VA) introduced legislation (S. 1279) May 11 to provide for revenue sharing of qualified revenues from leases in the South Atlantic planning area.

Senator Ed Markey (D-MA) introduced legislation ([S. 1280](#)) May 11 to direct the Secretary of the Interior to establish an annual production incentive fee with respect to federal onshore and offshore land that is subject to a lease for production of oil or natural gas under which production is not occurring.

Senator Joe Manchin (D-WV) introduced legislation (S. 1282) May 11 to amend the Energy Policy Act of 2005 to require the Secretary of Energy to consider the objective of improving the conversion, use, and storage of CO<sub>2</sub> produced from fossil fuels in carrying out research and development program under that Act.

Senator Joe Manchin (D-WV) introduced legislation (S. 1283) May 11 to amend the Energy Policy Act of 2005 to repeal certain programs and to establish a coal technology program.

Senator Angus King (I-ME) introduced legislation (S. 1284) May 11 to clarify the treatment of CO<sub>2</sub> emissions from forest biomass.

Senator Heidi Heitkamp (D-ND) introduced legislation (S. 1285) May 11 to authorize the Secretary of Energy to enter into contracts to provide certain price stabilization support relating to electric generation units that use coal-based generation technology.

Senator Heidi Heitkamp (D-ND) introduced legislation (S. 1293) May 12 to establish the Department of Energy as the lead agency for coordinating all requirements under federal law with respect to eligible clean coal and advanced coal technology generating projects.

Senator Ron Wyden (D-OR) introduced legislation ([S. 1294](#)) May 12 to require the secretaries of the Departments of Energy and Agriculture to collaborate in promoting the development of efficient, economical, and environmentally sustainable thermally led wood energy systems.

Senator Maria Cantwell (D-WA) introduced legislation (S. 1304) May 12 to require the Secretary of Energy to establish a pilot competitive grant program for the development of a skilled energy workforce.

Senator Joe Manchin (D-WV) introduced legislation (S. 1306) May 12 to amend the Energy Policy Act of 2005 to use existing funding available to further projects that would improve energy efficiency and reduce emissions.

Senator Ed Markey (D-MA) introduced legislation (S. 1310) May 12 to prohibit the Secretary of the Interior from issuing new oil or natural gas production leases in the Gulf of Mexico under the Outer Continental Shelf Lands Act to a person that does not renegotiate its existing leases in order to require royalty payments if oil and natural gas

prices are greater than or equal to specified price thresholds.

Senator Ed Markey (D-MA) introduced legislation (S. 1311) May 12 to amend the Federal Oil and Gas Royalty Management Act of 1982 and the Outer Continental Shelf Lands Act to modify certain penalties to deter oil spills.

Senator Lisa Murkowski (R-AK) introduced legislation ([S. 1312](#)) May 12 to modernize federal policies regarding the supply and distribution of energy in the United States. The [measure](#) would end the 40-year ban on the export of domestic crude oil, and Senator Murkowski hopes to include it in broader energy legislation she and Senator Maria Cantwell (D-WA) are crafting.

Representative Patrick Murphy (D-FL) introduced legislation (H.R. 2276) May 12 to establish a moratorium on oil and gas-related seismic activities off the Florida coast.

Representative Bill Posey (R-FL) introduced legislation (H.R. 2279) May 12 to establish a moratorium on oil and gas-related seismic activities off the Florida coast.

Senator Shelly Moore Capito (R-WV) introduced the Affordable Reliable Energy Now Act of 2015 ([S. 1324](#)) May 13 to roll back the Environmental Protection Agency's proposed CO2 standards on new and existing power plants. The ARENA Act establishes new stringent standards for the technologies the agency can rely upon as emissions reductions tools and bars the agency from crafting regulations that are similar to the two proposed rules unless the agency follows the strict guidelines. The measure allows governors to opt out of the regulations, extends dates for compliance, and prevents the agency from regulating any source already regulated under mercury and air toxics regulations.

Representative Tom MacArthur (R-NJ) introduced legislation (H.R. 2295) May 13 to amend the Mineral Leasing Act to require the Secretary of the Interior to identify and designate National Energy Security Corridors for the construction of natural gas pipelines on federal land.

Representative Matt Cartwright (D-PA) introduced legislation ([H.R. 2296](#)) May 13 to establish a Financing Energy Efficient Manufacturing Program in the Department of Energy to provide financial assistance to promote energy efficiency and onsite renewable energy technologies in manufacturing and industrial facilities.

Senator Angus King (I-ME) introduced legislation (S. 1338) May 14 to amend the Federal Power Act to provide licensing procedures for certain types of projects.

Senator Elizabeth Warren (D-MA) introduced legislation (S. 1342) May 14 to require the Secretary of Energy to conduct a study and issue a report that quantifies the energy savings benefits of operational efficiency programs and services for commercial, institutional, industrial, and governmental entities.

Senator Lisa Murkowski (R-AK) introduced legislation (S. 1346) May 14 to require the Secretary of Energy to establish an e-prize competition pilot program to provide up to four financial awards to eligible entities that develop and verifiably demonstrate technology that reduces the cost of electricity or space heat in a high-cost region.

Representative Mike Conaway (R-TX) introduced legislation (H.R. 2369) May 15 to lift the oil export ban and modernize federal policies regarding the supply and distribution of energy in the United States.

Representative Nita Lowey (D-NY) introduced legislation (H.R. 2379) May 15 to prohibit the transportation of certain volatile crude oil by rail.

Representative Ryan Zinke (R-ME) introduced legislation (H.R. 2358) May 15 to amend the Federal Land Policy and Management Act of 1976 to enhance the reliability of the electricity grid and reduce the threat of wildfires to and from electric transmission and distribution facilities on federal lands by facilitating vegetation management on such lands.

## Upcoming Hearings

The Senate Energy and Natural Resources Committee will hold a [hearing](#) May 19 to consider about 30 measures under consideration for inclusion in the supply title of Senator Lisa Murkowski's (R-AK) and Maria Cantwell's (D-WA) broad bipartisan energy package.

The Senate Small Business Committee will hold a hearing May 19 on the impacts environmental regulations have

on small businesses.

The Senate Appropriations Subcommittee on Energy and Water will markup May 19 its fiscal year 2016 spending bill.

The House Energy and Commerce Subcommittee on Energy and Power will hold a hearing May 19 on energy reliability and security.

The Senate Environment and Public Works Subcommittee on Superfund, Waste Management, and Regulatory Oversight will hold an oversight hearing May 20 on scientific advisory panels and processes at the Environmental Protection Agency.

The House Natural Resources Subcommittee on Energy and Mineral Resources will hold a hearing May 20 to consider the draft National Energy Security Corridors Act.

The House Natural Resources Subcommittee on Water, Power, and Oceans will hold a hearing May 20 to consider the draft Electricity Reliability and Forest Protection Act.

The House Natural Resources Subcommittee on Oversight and Investigations will hold a hearing May 20 on the Office of Surface Mining's Stream Protection Rule.

The Senate Energy and Natural Resources Subcommittee on Public Lands, Forests, and Mining will hold a [hearing](#) May 21 on several public lands bills.

The House Energy and Commerce Subcommittee on Energy and Power will hold a hearing May 21 on the Quadrennial Energy Review and related legislation.

The Senate Energy and Natural Resources Committee will hold a [hearing](#) June 4 to consider accountability and reform measures under consideration for inclusion in Senator Lisa Murkowski's (R-AK) and Maria Cantwell's (D-WA) broad bipartisan energy package.

## DEPARTMENT OF ENERGY

### EIA Outlook

The Energy Information Administration released its short-term energy [outlook](#) May 12, forecasting that total crude oil production would fall from June through September before continuing its growth late in the year. The agency found that natural gas generation was nearly as high as coal production in April and May of this year. The agency projects that renewable energy used for electric power will grow by three percent in 2015, with hydropower generation decreasing by 0.9 percent and non-hydropower generation increasing by 6.8 percent.

### Increasing Emissions

The Energy Information Administration released a [data snapshot](#) May 15 projecting that CO2 emissions from power plants will increase by at least two percent from 2014 levels through 2040 without federal regulations. The forecast does not factor the Environmental Protection Agency's Clean Power Plan into its modeling because the rule has not been finalized, but it does include measures taken by Regional Greenhouse Gas Initiative states and California to reduce emissions.

### QER Implementation

Speaking to the President's Council of Advisers on Science and Technology May 15, Energy Secretary Ernest Moniz said that he anticipates working intensely with Congress to implement the recommendations under the Quadrennial Energy Review. The April interagency energy policy assessment includes \$15 billion in recommendations to improve energy related infrastructure. The Senate Energy and Natural Resources Committee and the House Energy and Commerce Committee are currently crafting broad energy legislation that will include infrastructure titles.

### Dehumidifier Efficiency Standards

The Department of Energy proposed May 15 new energy conservation standards for residential dehumidifiers. The proposal classifies residential dehumidifiers into portable and whole home categories and applies to all products manufactured or imported into the country three years after the rule becomes final.

## DEPARTMENT OF INTERIOR

### Arctic Drilling

The Bureau of Ocean Energy Management granted a [conditional approval](#) May 11 to Royal Dutch Shell to explore



for oil this summer in the Chukchi Sea. Shell must still obtain a drilling permit from the Bureau of Safety and Environmental Enforcement and state regulatory clearance.

## ENVIRONMENTAL PROTECTION AGENCY

### State CPP Compliance

Following Senate Majority Leader Mitch McConnell's (R-KY) March 19 letter to the National Governors Association asking states to not develop their own state implementation plans in response to the Environmental Protection Agency's Clean Power Plan, most governors are wary of boycotting compliance with the rule. Though Oklahoma will not draft its own implementation plan, Kentucky Governor Steve Beshear (D) said recently that a Kentucky-developed policy would work better for the state than a national implementation plan, and Vermont Governor Peter Shumlin (D) said that the serious threat of climate change compels states to address it.

### Protective Order in CPP Case

The Environmental Protection Agency filed a motion for a protective order in the U.S. District Court for the Northern District of West Virginia May 8 seeking to block discovery in a lawsuit over a Clean Air Act requirement to evaluate the job impact of agency rules. The motion is in response to Murray Energy's request for discovery in its case against the agency's Clean Power Plan.

### Biomass Permitting Rehearing

The American Forest and Paper Association, the American Wood Council, the Biomass Power Association, the Corn Refiners Association, the Florida Sugar Industry, the National Alliance of Forest Owners, the National Oilseed Processors Association, the Renewable Fuels Association, the Rubber Manufacturers Association, the Treated Wood Council, and the Utility Air Regulatory Group asked the U.S. Court of Appeals for the District of Columbia Circuit May 11 to rehear a lawsuit that struck down a temporary greenhouse gas permitting exemption for facilities burning biomass. The groups contend that the rehearing is warranted after the Supreme Court limited the scope of the Environmental Protection Agency's prevention of significant deterioration permitting program for greenhouse gases.

### CPP Multistate Compliance

The National Association of Regulatory Utility Commissioners and the Eastern Interconnection States Planning Council released May 12 a [guide](#) that states may use as a starting point to create multistate compliance plans under the Environmental Protection Agency's Clean Power Plan. The Department of Energy funded the guide.

### RGGI CPP Compliance

The Acadia Center released a [report](#) May 13 suggesting that states in the Regional Greenhouse Gas Initiative take three steps during its 2016 program review to comply with the Clean Power Plan. Those steps include extending the initiative's cap by ten years, changing the trajectory of scheduled cap reductions, and revising its cost containment reserve.

### Whitman Comments

Former Environmental Protection Agency Administrator and New Jersey Governor Christine Todd Whitman said May 13 that without congressional action, the Environmental Protection Agency's Clean Power Plan could be a "game changer" as the United States seeks to address climate change. She said that younger generations, private sector engagement, and successful state and local efforts may eventually encourage Congress to adapt to and mitigate climate change, which is her preference.

### Ozone Implementation

The U.S. District Court for the Northern District of California issued a proposed order and judgment May 14 requiring the Environmental Protection Agency to act on numerous state plans over the next 16 months governing implementation of the 2008 national ambient air quality standards for ozone. The order and judgment would resolve litigation brought by the Sierra Club and WildEarth Guardians over the agency's failure to issue a finding that 26 states did not submit required ozone transport plans for the 2008 standards and the agency's delayed action on portions of 23 state implementation plans.

### Climate Economics

Speaking at the 2015 Ceres conference May 14, Environmental Protection Agency Administrator Gina McCarthy urged businesses to continue promoting the economic benefits of addressing climate change. Members of the conference recently sent a [letter](#) supporting the agency's Clean Power Plan. Bank of America Merrill Lynch [announced](#) the same day that clean energy and climate change represent billions of dollars in potential capital; the bank initially set a \$20 billion goal, but achieving it four years ahead of schedule, increased the lending, investing, and other support goal to \$50 billion. The bank issued a second \$600 million green bond May 14, after becoming the first corporate green bond issuer in the country last year.

## **CPP Environmental Justice**

The Environmental Protection Agency announced May 15 that it may issue guidance for states about how to consider environmental justice issues when developing state implementation plans under the Clean Power Plan. However, it is not clear that the agency has the legal authority to require states to conduct their own environmental justice analyses.

## **State CPP Compliance**

The Center for Climate and Energy Solutions released a [report](#) May 18 analyzing six economic models of the Environmental Protection Agency's Clean Power Plan and finding that it would cost the average domestic household about \$87 per year. The report concluded that energy efficiency is the most cost effective way to reduce emissions and power consumption usage.

## **Pretreatment Rule**

The Environmental Protection Agency will hold a public listening session May 29 to consider proposed federal technical standards for wastewater effluent from shale gas and oil wells and other unconventional oil and gas wells.

## **FEDERAL ENERGY REGULATORY COMMISSION**

### **Moeller's Retirement**

Federal Energy Regulatory Commission Commissioner Philip Moeller announced May 12 that he will not seek a third term at the agency after his current term ends June 30. President George B. Bush nominated him to serve on the commission, and he was sworn into the agency in July 2006; President Obama renominated him to serve a second term in July 2010. Commissioners serve five-year terms with no term limits.

### **Pipeline Legislation**

Testifying before the House Energy and Commerce Subcommittee on Energy and Power May 13, Federal Energy Regulatory Commission Office of Energy Projects Director Ann Miles said that House draft [legislation](#) designed to hasten the federal approval process for new natural gas pipelines would actually slow projects down by codifying existing successful practices later in the application review process.

### **Solar Storm Standard**

The Federal Energy Regulatory Commission proposed during its May 14 meeting the North American Energy Reliability Corporation's reliability standard on transmission system planned performance for geomagnetic disturbances caused by solar storms. The commission also approved the last of nine interregional transmission compliance filings as required by Order 1000.

### **CPP and Reliability**

Following a series of technical conferences this spring, the Federal Energy Regulatory Commission sent suggestions to the Environmental Protection Agency May 15 to address Clean Power Plan reliability concerns. The [letter](#) suggests that the agency's final rule include a reliability safety valve, that the agency give the commission the power to monitor reliability issues as states submit compliance plans, that its role be clearly defined under the plan, that a narrower valve oversight role allow the commission to review proposed mitigation measures and make recommendations, and that the final rule include a process by which the commission or the North American Electric Reliability Corporation would review state plans to consider reliability threats.

## **INTERNATIONAL**

### **EU Carbon Leakage Update**

European Commission Director General for Climate Action Jos Delbeke said May 11 that reform of carbon leakage [regulations](#) designed to compensate European Union heavy industrial sectors that could be disadvantaged by international competitors will be a priority of the bloc's emissions trading system for the post 2020 period.

### **Carbon Neutral Plan**

The World Bank published a [report](#) May 11 finding that countries need to take three steps to become carbon neutral. First, global nations need to establish a long-term climate action target and work backward to decide what needs to be done now. Then, governments must place a price on carbon to encourage emissions reductions and raise capital. Finally, governments need to take steps to make the transition to a low carbon economy easier for low-income populations.

### **Vatican on Climate Action**

Pope Francis will release an encyclical on environmental issues early this summer, and said May 12 that the world's leaders will answer to God if they do not protect the environment and ensure enough food for the global

population. The same day, Cardinal Oscar Andres Rodriguez Maradiaga, Pope Francis' closest adviser, criticized climate change skeptics at a press conference associated with a general assembly of Caritas. Miami Archbishop Thomas Wenski, Las Cruces Bishop Oscar Cantú, and Stockton Bishop Stephen Blaire briefed a group of bipartisan senators May 14 ahead of the encyclical's release. Pope Francis will visit the United States in September and will discuss with President Obama, among other things, environmental stewardship issues.

### **Mexican Oil, Gas Auction**

Mexico announced May 12 the first onshore oil and gas auction in seven decades to let private companies participate in opening the nation's energy sector for the first time. The auction will have lower finance and experience requirements than the previous two offshore auction rounds.

### **LNG Security**

During a May 12 meeting in Hamburg, Group of Seven energy ministers agreed that an integrated global liquefied natural gas market would increase global energy security, preventing a single nation for dominating the market.

### **EU ETS Permit Reserve**

The Council of the European Union formally approved May 13 an [amendment](#) to the European Union's Emissions Trading Program designed to increase prices of carbon permits on the bloc's emissions trading system by placing surplus allowances into a reserve. The market stability reserve will hold 12 percent of the amount of surplus allowances in any year in which the overall surplus exceeds 833 million allowances.

### **Ontario GHG Target**

Ontario's Environment and Climate Change Minister Glen Murray said May 14 that the provincial government has set a target to reduce greenhouse gas emissions by 37 percent from 1990 levels by 2030. The target builds on the province's existing plan to reduce GHG emissions by 15 percent from 1990 levels by 2020 and 80 percent by 2050. Ontario is the first province to establish midterm greenhouse gas emissions reduction targets for 2030.

### **Canadian INDC**

Canada announced May 15 that it will reduce greenhouse gas emissions 30 percent below 2005 levels by 2030 as part of its Intended Nationally Determined Contribution in advance of the global climate negotiations in Paris at the end of the year. The country will reduce methane emissions from oil and gas extraction, natural gas power plants, and chemical and nitrogen fertilizer manufacturing.

### **India-China Climate Statement**

During Indian Prime Minister Narendra Modi's visit to China May 15, India and China released a [joint statement](#) urging developed countries to increase their 2020 emissions reductions targets and deliver on their commitments to provide \$100 billion in annual support to developing nations. Both nations plan to soon release their Intended Nationally Determined Contributions to the United Nations Framework Convention on Climate Change in advance of the global climate negotiations in Paris at the end of the year.

## **STATES**

### **HI Solar**

Under a May 12 proposed consent decree in the U.S. District Court for the District of Hawaii, Honolulu would spend about \$17 million to resolve Clean Air Act violations. The city and county would pay an \$875,000 civil penalty and install a photovoltaic power system at a government-owned facility as a supplemental environmental project.

### **VA Efficiency Panel**

Virginia Governor Terry McAuliffe (D) named May 12 utility officials, energy and environmental lawyers, a professor, and business people to a twelve member state committee to reduce retail electricity consumption in the state by 10 percent by 2020. The committee will develop strategies and recommendations to achieve the energy savings goal.

### **NY Fracking**

The New York State Department of Environmental Conservation released May 13 its long-awaited environmental impact [statement](#) on fracking. The statement cites potential environmental and health impacts associated with the practice, but does not explicitly ban fracking. New York Environmental Conservation Commissioner Joseph Martens will release a findings statement May 23, and an explicit ban is expected to follow soon.



## **Solar Tower**

Solar Reserve is finalizing construction on the 110 MW Crescent Dunes solar tower and storage plant in Tonopah, Nevada, and the world's first large scale solar tower and storage facility is scheduled to start electricity production within the next two weeks, with full commercial production a month later.

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