

ML Strategies Weekly Energy and Environment Update – Week of September 30, 2013

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Yesterday the House and Senate failed to pass a continuing resolution that would have averted a government shutdown. As they enter the new fiscal year without funding, Washington's federal agencies and departments are grinding to a standstill. According to their contingency plans, the **Department of the Interior**, the Environmental Protection Agency, and the **Federal Energy Regulatory Commission** will all experience furloughs and the halting of programs. The **Department of Energy** reported that multi-year and no-year appropriations will sustain certain work through the shutdown. The **Nuclear Regulatory Commission**, which has leftover appropriations, can survive for about a week at relatively normal operations.

The energy and environment event leading the news this past week was the release of the International Panel on Climate Change's summary of its *Fifth Assessment Report* on Friday. The report found that average surface temperatures have risen 1.5 degrees Fahrenheit since the industrial revolution, and scientists writing the report said that they are 95 to 100 percent certain that human activity is the driver of this increase. The *Fourth Assessment Report*, released in 2007, concluded that temperatures had risen 1.3 degrees Fahrenheit with 66 to 90 percent certainty. The September 27 summary also tracked arctic ice levels, greenhouse gas emissions, sea levels, and severe weather events. While there has been a slowdown in the rate of global warming, the report's authors said that global warming has not ended. On September 30, the panel released the first part of the report, which detailed the scientific assessments. The second part, on adaptation and vulnerability, and the third part, on mitigation, will be released next year.

Response to the summary report was mixed. On the international side, World Bank President Jim Yong Kim, addressing a Climate Week NYC event three days prior to the release of the draft report, said the report reinforces the need for quick action on climate change. U.N. Framework Convention on Climate Change Executive Secretary Christiana Figueres said the report shows the need for greater climate action. Domestically, many Democratic congressmen said the draft report highlighted the need to implement President Obama's climate action plan while many Republican members said the report was skewed by political agendas. Senators David Vitter (R-LA), Jeff Sessions (R-AL), John Barrasso (R-WY), and Jim Inhofe (R-OK) sent a **letter** to Special Envoy for Climate Change Todd Stern asking about lobbying efforts by the U.S. government to the IPCC. A Senate Environment and Public Works Committee aide said on Friday that the committee will hold a hearing on the Environmental Protection Agency's proposed greenhouse gas emission regulations for new power plants as well as on the IPCC report.

After many members of the Senate Energy and Natural Resources Committee, including most Republicans and some Democrats, came out against the nomination of Ron Binz as Federal Energy Regulatory Commission Chairman., he has withdrawn his name from consideration. The White House is considering other candidates. On Tuesday, President Obama nominated Catherine Ann Novelli to serve as Under Secretary of State for Economic Growth, Energy, and Environment. It is rumored that the president will nominate Neil Konze to serve as Bureau of Land Management. Konze currently serves as Principal Deputy Director of the bureau.

For more on the latest energy and clean technology regulatory and legislative developments please see **ML Strategies'** most recent ***Energy and Environmental Update***.

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