

ML Strategies Energy and Environment Update: Week of 10/27/2014

October 28, 2014 | | By David Leiter

ENERGY AND CLIMATE DEBATE

One week until election day, Congressional campaigns are in their final days, and several races remain too close to call. While Congress prepares for a brief but intense Lame Duck session, stay tuned for election updates.

In the meantime, climate negotiators spent last week in Bonn, Germany, with the last United Nations Framework Convention on Climate Change summit prior to the annual international climate negotiation this December in Lima, Peru. The third round of the Bonn Climate Change Conference concluded October 25, though negotiators reached no concrete result, leaving a busy schedule for the 20th COP/MOP in a few weeks. Almost 1,200 negotiators from 176 countries and organizations gathered last week to negotiate a new climate agreement, which is on target to be approved in Paris next December and to become effective in 2020. Last week's talks failed to reach a conclusion on elements of the 2015 agreement and what should be included in the nationally determined contributions, which governments are expected to submit by early next year.

The Ad-hoc Working Group on the Durban Platform for Enhanced Action released [draft text](#) on October 24, focusing on key areas in regard to the role of Intended Nationally Determined Contributions within the planned 2015 global agreement. The working group left many of the difficult related issues unaddressed, such as whether they should include matters that go beyond reducing greenhouse gas emissions, whether rich and poor, developed and developing nations should have different types of obligations, whether INDCs should be legally binding, and how mitigation targets can be increased before the 2015 agreement is finalized.

The European Union approved October 24 greenhouse gas emission reduction targets for 2030. European Union leaders committed to reducing CO2 emissions by at least 40 percent by 2030 compared with 1990 levels, which will be legally binding for all member states. The bloc also agreed to increase the share of renewables in the energy mix to 27 percent compared with 1990 levels, as well as to improve energy efficiency by 27 percent.

The Intergovernmental Panel on Climate Change meets this week in Copenhagen to complete the last portion of its fifth assessment on global climate change, a synthesis of three reports released over the past year and a half on the physical science of climate change, adaptation and vulnerability, and potential mitigation efforts. The synthesis report, scheduled to be released this coming Sunday, is intended to be a resource for policymakers who are devising climate rules, and will be condensed further into a Summary for Policy Makers. The report provides a strong case for the need to act immediately to address climate change.

CONGRESS

Republican Senate May Pass House Measures

House Majority Leader Kevin McCarthy (R-CA) released a memorandum October 22 predicting that a Republican-controlled Senate would approve House-passed bills to eliminate the need for presidential permits for cross-border energy projects like the Keystone XL pipeline, establish deadlines for federal agencies to approve permits for constructing new natural gas pipelines, and streamline the permitting process for certain mining projects. Majority Leader McCarthy also said that the House will continue regulatory reform efforts that have stalled in the Senate.

EPW Fracking Report

The Senate Environment and Public Works Committee Republican staff released a [report](#) October 23 charging that the Obama administration and environmental advocates have repeatedly misled the public about the benefits and risks of fracking.

Climate Policy Event Forthcoming

The Institute for Policy Integrity hosted an event October 28 entitled "The Future of U.S. Climate Policy: Coal, Carbon Markets, and the Clean Air Act." Keynote speakers included Senator Sheldon Whitehouse

(D-RI) and Environmental Protection Agency Associated Administrator for the Office of Policy Joel Beauvais.

DEPARTMENT OF ENERGY

Emissions Increased

The Energy Information Administration released a [report](#) October 22 finding that domestic energy-related CO2 emissions increased 2.5 percent last year due to colder weather, which lead to an increase in residential and commercial energy demand for heating. Energy-related CO2 emissions increased from 5,267 MMT in 2012 to 5,396 MMT in 2013. Emissions last year were still ten percent below their 2005 level of 5,999 MMT.

\$53 Million for Solar R&D

The Department of Energy awarded October 22 [\\$53 million](#) for [40](#) research and development [projects](#) aimed at reducing the cost of solar power. The agency said that long-term investments and partnerships have contributed to a 50 percent drop over the last three years in photovoltaic panel prices.

\$9 Million for Commercial Building Efficiency

The Department of Energy [announced](#) October 23 \$9 million to improve the energy efficiency of hotels, hospitals, offices, and other commercial buildings. The funding will aim to implement market-ready solutions across the country to improve commercial building efficiency, with a goal of demonstrating 20 percent savings or more across a variety of approaches.

The weekly *Energy & Environment Update* from ML Strategies provides an overview of what's happening on and off Capitol Hill and around the world that may impact energy and environmental policies and industry players. [Read the update here.](#)

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