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# Energy & Sustainability Washington Updates — April 2020

April 14, 2020 | | By **R. Neal Martin**

With the emergence of the coronavirus pandemic over the past month as a major public health and economic crisis, the primary focus on Capitol Hill has been on passage of the Coronavirus Aid, Relief and Economic Stimulus (CARES) Act, which was signed into law by President Trump on March 27. However, there were other developments on energy and sustainability policy on Capitol Hill and in the Administration.

## CARES Act

As Congress debated the CARES Act, a group of House and Senate Democrats wrote on March 20 to their respective leaders asking that any economic stimulus to the coronavirus pandemic include provisions supporting the clean energy industry. Noting that 800,000 Americans work in the clean energy industry, the letters asked that coronavirus stimulus efforts include provisions for immediate funding streams like the 1603 Cash Grant Program for renewables, a 30% clean energy manufacturing tax credit, direct payment of refundability, extension of safe harbor continuity, tax credit extensions, expansion of the electric vehicle credit, and removal of the current phase-out schedule for the clean energy industry.

On March 19, a group of clean and renewable energy organizations wrote to House and Senate leadership asking that any coronavirus stimulus effort support the clean energy sector with a number of proposals. **Read the letter here**, which was signed by, among others, the American Council on Renewable Energy, the American Wind Energy Association, the Energy Storage Association, the League of Conservation Voters, the Sierra Club, and the Solar Energy Industry Association.

While the CARES Act ultimately did not include these energy-specific provisions, there are loan programs for small businesses, mid-size companies, and large corporations, as well as employee benefits and tax provisions, which apply to all sectors and could prove useful to the energy sector as companies seek to respond to the economic crisis caused by the pandemic.

The CARES Act did include new funding for the Department of Energy, including $99.5 million for the Office of Science and the National Nuclear Security Administration to support operations of the National Laboratory scientific user facilities for R&D efforts related to the coronavirus; $28 million to support remote access, teleworking, and operations for DOE employees related to coronavirus prevention, preparation, and response. The bill also gave DOE flexibility to postpone a required sale of crude oil from the Strategic Petroleum Reserve through Fiscal Year 2022, and authorized continued payment for federal contractors and subcontractors who, due to coronavirus, are unable to perform work at their duty-station or telework because of the nature of their jobs.

Look for members of Congress and clean energy advocates to begin work immediately to seek the inclusion of the next round of economic stimulus, which is expected to include a significant infrastructure investment. Organizations seeking the inclusion of such measures in future stimulus measures should be contacting their elected representatives now to advocate for their priorities.

## American Energy Innovation Act

In late February, Senate Energy Committee Chair Murkowski (R-AK) and Ranking Member Manchin (D-WV) unveiled their bipartisan energy legislation, the American Energy Innovation Act (AEIA).

Over the course of the past year the Energy Committee had held committee hearings and business meetings on more than 50 energy-related bills that were approved and sent to the full Senate for consideration. Most of these bills were merged into one measure, the AEIA.

The key provisions in the AEIA focus on energy efficiency; renewable energy; energy storage; carbon capture, utilization, and storage; advanced nuclear; industrial and vehicle technologies; the Department of Energy; mineral security, cyber and grid security and modernization; and workforce development.

See the **full bill text here**, a **high-level summary here**, and a **section-by-section summary here**.

The Senate debated the AEIA during the first week of the month, but was unable to move forward with the legislation when it failed to secure the required 60 votes to move to a final vote. The impasse came over efforts to include other provisions, including the American Innovation and Manufacturing (AIM) Act, which phase down the production and use of hydrofluorocarbon refrigerants.

Our expectation is that the AEIA could be brought back to the Senate floor later in the year.

# Administration Rolls Back Auto Emissions Standards

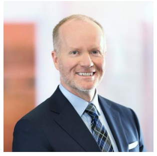
On March 31, the U.S. Department of Transportation's National Highway Traffic Safety Administration (NHTSA) and the U.S. Environmental Protection Agency (EPA) released the final Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule setting corporate average fuel economy (CAFE) and CO2 emissions standards for model years 2021-2026 passenger cars and light trucks. As expected the rule rolled back the standards established during the Obama administration.

In a statement, Transportation Secretary Chao said "This rule reflects the Department's #1 priority — safety — by making newer, safer, cleaner vehicles more accessible for Americans who are, on average, driving 12-year old cars. By making newer, safer, and cleaner vehicles more accessible for American families, more lives will be saved and more jobs will be created."

Democrats have widely panned the move, with House Energy & Commerce Committee Democratic leadership putting out a statement saying, "The clean car standards the Trump Administration is revoking today were put in place not only to combat climate change and protect consumers, but also to protect Americans from the health impacts of worsening air quality."

**Please click here for the final rule.**

## Authors

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