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ENERGY AND ENVIRONMENT UPDATE
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Energy and Climate Debate

With Congress in full swing, the White House preparing for the State of the Union address, and new legislative and executive leaders taking their places in Washington, energy issues continue to garner significant national attention.

Senator Lisa Murkowski (R-AK), ranking member of the Senate Energy and Natural Resources Committee, released a broad, 121-page, energy blueprint February 4 that she hopes will provide the foundation for bipartisan energy legislation this Congress.

The document, *Energy 20/20: A Vision for America's Energy Future*, makes roughly 200 policy recommendations that address nearly all of the major energy issues that have eluded consensus for years. Some of her main areas of focus include increasing North American oil production by 2020 to replace the 4.6 million barrels per day of crude oil currently imported from OPEC, or about half of all domestic oil imports; addressing climate change by expanding clean energy technologies that will reduce emissions; establishing an advanced energy trust fund to develop breakthrough technologies in renewable energy, energy efficiency, alternative fuels, and advanced vehicles that would be financed by additional revenue from expanded domestic energy development; eliminating clean energy government subsidies and implementing a new system of technology neutral clean energy financing mechanisms; increasing and hastening access to federal lands for energy development; reforming the renewable fuels standard; continuing funding for the Advanced Research Projects Agency-Energy; making renewable energy companies eligible for master limited partnerships; consolidating land management agencies in one department; and shying away from a federal fracking standard.

Senators Murkowski and Ron Wyden (D-OR), chairman of the Senate Energy Committee, are discussing numerous pieces of modest, technology-neutral, legislation that could attract bipartisan support. Potential early, targeted, measures include hydropower expansion, critical minerals development, energy efficiency, and revenue sharing with coastal states from offshore energy production.

Senator Wyden is drafting bipartisan legislation to address the country's spent nuclear fuel and other high-level radioactive waste. The starting point is the Nuclear Waste Administration Act of 2012 (S. 3469), which then-chair Senator Jeff Bingaman (D-NM) introduced last August. Senator Bingaman's bill incorporated the Blue Ribbon Commission on America's Nuclear Future's January 12 recommendations, including a consent-based siting process and an independent organization to manage the waste. Senator Wyden has recently discussed language with Senators Murkowski, Dianne Feinstein (D-CA), chair of the Appropriations Subcommittee on Energy and Water Development, and Lamar Alexander (R-TN), ranking member of the subcommittee, as well as with Representatives Fred Upton (R-MI), Ed Whitfield (R-KY), and Doc Hastings (R-WA).

In addition to her collaboration with Senator Mary Landrieu (D-LA) on revenue sharing legislation, Senator Murkowski intends to introduce legislation soon that would support the deployment of small hydropower by eliminating some regulatory barriers and offering research and development funding. The measure will borrow components from two House bills, one introduced in January by Representative Cathy McMorris Rodgers (R-WA) that would change Federal Energy Regulatory Commission licensing requirements and another that will soon be introduced by Representative Scott Tipton (R-CO) that will focus on conduit projects.

Congress

Sequestration to Impact RE
Representative Chris Van Hollen (D-MD), ranking member of the House Budget Committee, told an American Council on Renewable Energy forum February 6 that sequestration could damage the renewable energy sector if the automatic spending cuts go into effect March 1 as scheduled. Programs that would be most negatively affected include the 1603 Grants in Lieu of Tax Credits program. Because of a provision that allows projects that began construction by the end of 2011 to qualify, at least $6 billion remains to be paid out under the program. The Department of Energy would face an 8.2 percent budget reduction for non-defense programs, and David Danielson, Assistant Secretary for Energy Efficiency and renewable energy, said that his office is preparing for a budget scenario in which programs would be reduced five to six percent from the levels received in the last continuing resolution, with the biggest impacts found at the Weatherization Assistance Program and the Advanced Research Projects Agency-Energy.

House Climate Hearings Denied
The House Energy and Commerce Committee defeated February 6 two Democratic amendments to a two-year committee oversight plan that pledges hearings and rigorous oversight of administration efforts to regulate GHG emissions. An amendment by Representative Bobby Rush (D-IL) would have required the panel to hold hearings on the role of climate change in causing significant weather events as well as its impacts on electricity generation. Another from Representative Frank Pallone (D-NJ) called for hearings on climate impacts on coastal areas. Both would have explicitly required scientific experts to testify. The Committee will vote February 12 on a third amendment, from Ranking Member Henry Waxman (D-CA), that would require hearings on the latest climate research finding that the window to address its negative impacts is closing quickly. The Committee released a seven-page plan last week outlining its oversight activities for the next two years, with much of the focus resting on Environmental Protection Agency efforts to regulate greenhouse gas emissions.

GHG Standards for Existing Plants Fight Expected
Representative Ed Whitfield (R-KY), chair of the House Energy and Commerce Subcommittee on Energy and Power, said February 5 that he is disappointed that the Environmental Protection Agency plans to extend GHG emissions regulations to existing power plants. The agency will finalize new source performance standards for new power plants in April, triggering a Clean Air Act requirement for it to issue similar standards for existing plants.

Particulate Matter Standard Delay Requested
Senators David Vitter (R-LA) and Jeff Sessions (R-AL) sent a letter to the Environmental Protection Agency February 5 asking it to delay implementation of new national ambient air quality standards for fine particulate matter until the agency’s inspector general finishes an audit of human-exposure studies. The agency’s Office of Inspector General said in October that it would examine whether the agency followed the law when it conducted relevant studies. The agency published the final rule January 15.

Tier 3 Standards Opposed
Senators David Vitter (R-LA), James Inhofe (R-OK), John Hoeven (R-ND), Mary Landrieu (D-LA), and Heidi Heitkamp (D-ND) sent a letter to President Obama February 4 asking him to stop the Environmental

Protection Agency from issuing a proposed rule that would establish Tier 3 vehicle and gasoline standards. The senators contended that the proposed rule, which has not yet been publicly released, will cost refineries billions of dollars, raise the manufacturing cost of gasoline by as much as 9 cents/gallon, make it difficult for refineries to compete globally, and discourage refinery expansions. The White House Office of Management and Budget began reviewing the rule January 29, which is expected to limit the sulfur content in gasoline to 10 ppm; the existing Tier 2 rule, finalized in 2000, set the limit at 30 ppm.

Coal Ash Legislation Forthcoming
Representative David McKinley (R-WV) is expected soon to introduce coal ash legislation. The measure will attempt to strike a balance between Representative Bill Johnson's (R-OH) Stop the War on Coal Act (H.R. 3409) and Senator John Hoeven's (R-ND) Coal Ash Recycling and Oversight Act of 2012 (S. 3512); both would have prohibited the Environmental Protection Agency from regulating ash from coal-fired power plants, leaving oversight to state permitting programs.

Senator Boxer to Hold Climate Science Briefing
Senator Barbara Boxer (D-CA), Chairwoman of the Environment and Public Works Committee, will hold a climate science briefing February 13, to which all senators are invited. Four scientists will speak: Donald Wuebbles, professor of atmospheric science at the University of Illinois; John Balbus, senior adviser on climate at the National Institute of Environmental Health Sciences; J. Marshall Shepherd, director of the University of Georgia's atmospheric sciences program; and James McCarthy, professor of biological oceanography at Harvard University.

Interim MA Senator
William "Mo" Cowan was sworn in February 7 to serve as interim Massachusetts Senator. Senator Cowan will hold the seat John Kerry vacated in order to serve as Secretary of State. Representatives Ed Markey (D-MA) and Stephen Lynch (D-MA) have announced plans to run for the seat.

Appeals Court Decisions Information Sought
Senate Environment and Public Works Committee Republicans sent a letter February 8 to the Environmental Protection Agency requesting information on how two District of Columbia Circuit Court decisions will affect the application of national ambient air quality standards for particulate matter. The court rejected a rule January 4 meant to implement the 1997 particulate standards and vacated a rule January 22 that would have excused sources from requirements to monitor air quality for fine particulate matter before applying for prevention of significant deterioration permits.

Legislation Introduced
Senator Tom Udall (D-NM) introduced legislation (S. 222) February 4 to amend the Surface Mining Control and Reclamation Act of 1977 to clarify that uncertified states and Indian tribes have the authority to use certain payments for certain noncoal reclamation projects and acid mine remediation programs. Representatives Steve Pearce (R-NM) and Ben Ray Luján (D-NM) introduced companion legislation (H.R. 488).

The same day, Representative Gerry Connolly (D-VA) introduced legislation (H.R. 469) to reduce the heat island effect and associated ground level ozone pollution from federal facilities, as well as legislation (H.R. 472) to reduce federal expenditures associated with data center real estate and electricity consumption, to implement savings reductions proposed by federal employees, and to reduce energy costs across federal executive agencies.

Representative Ed Markey (D-MA) introduced legislation (H.R. 518) February 5 to amend the Reclamation States Emergency Drought Relief Act of 1991 to extend it through 2018.

Representative David McKinley (R-WV) introduced legislation (H.R. 524) February 6 to amend the Federal Water Pollution Control Act to clarify that the Administrator of the Environmental Protection Agency does not have the authority to disapprove a permit after it has been issued by the Secretary of the Army under Section 404 of the Act.

The same day, Representative John Yarmuth (D-KY) introduced legislation (H.R. 526) to place a moratorium on permitting for mountaintop removal coal mining until the Department of Health and Human Services conducts relevant health studies.

Representatives Anna Eshoo (D-CA) and Mike Rogers (R-MI) introduced legislation (H.R. 540) to amend the National Energy Conservation Policy Act and the Energy Independence and Security Act of 2007 to promote energy efficiency via information and computing technologies. The Energy Efficient Government Technology Act would save the federal government energy and money by requiring the use of energy efficient and energy reduction technologies, particularly in federal data centers.

Representative Gregg Harper (R-MS) introduced legislation (H.R. 550) to amend the renewable fuel program under section 211(o) of the Clean Air Act to require the cellulosic biofuel requirement to be based on production. Senator Jeff Flake (R-AZ) introduced companion legislation (S. 251) February 7.

Representative Bill Johnson (R-OH) introduced legislation (H.R. 555) to amend the Mineral Leasing Act to authorize the Secretary of the Interior to conduct onshore oil and gas lease sales through Internet-based live lease sales.

Representative Mike Turner (R-OH) introduced legislation (H.R. 580) to enhance the energy security of United States allies.

Representative Bob Latta (R-OH) introduced a resolution (H. Res. 58) expressing the sense of the House of Representatives that any comprehensive plan to reform national energy policy must promote the expanded use of renewable and alternative energy sources; increase domestic refining capacity; promote conservation and increased energy efficiency; expand research and development, including domestic exploration; and enhance consumer education.

Senators John Hoeven (R-ND) and Heidi Heitkamp (D-ND) introduced legislation (S. 244) February 7 to amend the Energy Policy Act of 2005 to modify the Pilot Project offices of the Federal Permit Streamlining Pilot Project.

Representative Paul Gosar (R-AZ) introduced legislation (H.R. 596) February 8 to promote the development of renewable energy on public lands.

The same day, Representatives Ed Markey (D-MA) and Earl Blumenauer (D-OR) introduced legislation (H.R. 601) to direct the Secretary of Interior to establish an annual production incentive fee with respect to federal onshore and offshore lands that are not subject to a lease for production of oil or natural gas under which production is not occurring.

<u>Upcoming Hearings</u>
The Senate Energy and Natural Resources Committee will hold a hearing February 12 titled "Opportunities and Challenges for Natural Gas." The Committee will consider the environmental implications and economic impacts associated with America's natural gas resources in the Committee's first hearing under Chairman Ron Wyden's (D-OR) leadership. Witnesses will include Colorado Governor John Hickenlooper (D), Natural Resources Defense Council President Frances Beinecke, Dow Chemical Company Chairman and CEO Andrew Liveris, National Association of Manufacturers Vice President for Energy and Resources Policy Ross Eisenberg, American Petroleum Institute President and CEO Jack Gerard, and Kenneth Medlock, Senior Director for the Center for Energy Studies at the James A. Baker III Institute for Public Policy at Rice University. The Committee will hold a business hearing prior to the hearing to approve a funding resolution for the 113th Congress, assign members to subcommittees, and approve changes to the Committee's rules and questionnaire for executive nominations.

The following day, the Committee will hold a panel called "Realizing the Potential of U.S. Unconventional Natural Gas." Chairman Ron Wyden (D-OR) and Ranking Member Lisa Murkowski (R-AK) will address the Center for Strategic and International Studies on natural gas in the United States as part of a panel on energy policy issues for the 113th Congress.

On February 13, the House Science, Space, and Technology Committee will host a hearing on the American energy outlook.

The House Science Committee's environment panel will hold a hearing the following day on the state of the environment.

The House Oversight and Government Reform Committee's new energy panel will hold a hearing on energy costs February 14.

The House Energy and Commerce Subcommittee on Environment and Economy will hold a hearing February 15 to consider the role states play in implementing environmental regulations, including fracking and drinking water.

Administration

Climate Change Adaptation Plans
Federal agencies released their annual sustainability plans February 7, including for the first time plans to adapt to climate change. The 2009 Executive Order under which the plans are required also calls for agencies to put in place plans to reduce vehicular petroleum use 30 percent by 2020, improve water efficiency 26 percent by 2020, and divert or recycle 50 percent of waste by 2015. In their 2012 plans, agencies included fleet management plans and strategies to purchase more bio-based products. The plans will be available for public comment for 60 days.

Department of Energy

Ocean Energy Database
The Energy Department launched a database February 8 in collaboration with the International Energy Agency to display results of environmental monitoring and research efforts on wave, tidal, and current energy development. Tethys will help industry regulators and energy project developers deploy sustainable ocean energy.

$150 Million for 48C
The Departments of Energy and Treasury announced February 7 that they will offer another $150 million under the 48C Advanced Energy Manufacturing Tax Credit. The 30 percent investment tax credit, first enacted as part of the 2009 stimulus package, offered $2.3 billion in credits for facilities that manufacture clean energy equipment, and was nearly three times oversubscribed. The $150 million is left over from the 183 projects that received funding in the first round and will be allocated on a competitive bases to applicants who meet commercial viability, domestic job creation, technological innovation, speed to project completion, and potential for reducing pollution and GHG emissions standards.

Sequestration Impacts
Deputy Energy Secretary Dan Poneman sent an email to agency staff February 7 outlining the impact of potential spending cuts triggered by the sequestration due to occur March 1. The agency would face significant cuts, which could mean making reductions to vital programs, curtailing contract spending, and imposing temporary furloughs.

FutureGen 2.0
The Department of Energy announced February 4 that it will proceed with the second phase of FutureGen 2.0, a near zero-emission carbon capture and storage demonstration project. The agency's approval allows permitting, environmental review, design, and other related preconstruction activities to begin. The $1.5 billion project would equip a coal-fired power plant in Illinois to capture more than 90 percent of its CO2 emissions, more than 1 million MT a year. The project will be completed in four phases, with construction scheduled to begin next year and commercial operations starting in 2017.

Decorative Fireplace Regulations Nullified

The U.S. Court of Appeals for the District of Columbia Circuit vacated February 8 the definition of “vented hearth heater” in the Department of Energy’s energy efficiency rules. The court determined that Congress did not intend to give the department authority to mandate energy efficiency standards on decorative fireplaces under the Energy Policy and Conservation Act, and further that if the agency wished to regulate them, it would have to do so via the “catch-all” rules of the law, Section 6292(a)(20).

Department of Interior

NC Offshore Wind Farm
The Department of Interior published a notice February 5 announcing that it would extend to March 7 the comment period on issues related to developing wind farms off the coast of North Carolina. The Bureau of Ocean Energy Management identified in December three areas on the Outer Continental Shelf where commercial wind energy leasing could take place, one six miles off Kitty Hawk, and two seven and thirteen miles off Wilmington. The bureau requested expressions of interest in acquiring wind leases in the three areas.

Secretary Nominated
President Obama nominated February 6 Sally Jewell, chief executive officer of Recreational Equipment Inc. (REI), to succeed Ken Salazar as Secretary of the Interior. Ms. Jewell has a degree in mechanical engineering, and previously worked in the Oklahoma and Colorado oil fields, and then the banking industry for 19 years. She joined the board of REI in 1996, became chief operating officer in 2000, and CEO in 2005. She is on the board of the National Parks Conservation Association.

Department of Labor

Green Job Compensation Disparity
The Bureau of Labor Statistics released an analysis January 31 in its *Monthly Labor Review* finding that jobs in green industries pay workers an average of nearly $10,000 than jobs in industries that do not produce green goods or services. The report indicated that the disparity is due in large part to differences in the occupational makeup of the two industry categories.

Department of State

Environmental Groups Advise New Secretary
Sixty environmental groups, including Earthjustice, Environment America, the Massachusetts Climate Action Network, the League of Conservation Voters, and the World Wildlife Fund, sent a letter February 6 to Secretary of State John Kerry calling on him to reject the Keystone XL pipeline and take actions to ensure that the United States is leading international efforts to address climate change. Secretary Kerry has said that he will continue to process former secretary Hillary Clinton began in considering the pipeline, but said during a February 8 news conference with Canadian Foreign Minister John Baird that he expects a final decision soon.

Environmental Protection Agency

Administrator to Depart
Environmental Protection Agency Administrator Lisa Jackson’s resignation will become effective February 14. Deputy Administrator Bob Perciasepe will serve as acting administrator until the Senate confirms a new administrator.

Adaptation Plan
The Environmental Protection Agency released its draft climate change adaptation plan February 8. The report, an appendix to an overall government-wide sustainability report, advises the administration to integrate climate change considerations into its programs, policies, rules, and operations to ensure that they are effective in the future.

Early Action Credit

During the National Association of Regulatory Utility Commissioners' winter meeting February 5, states and power companies with existing GHG reduction programs said that they are planning to seek credit for the emissions reductions they have already achieved when the Environmental Protection Agency issues rules establishing performance standards for existing power plants. The group also believes that the rule should allow states to include flexible programs such as regional trading, fleetwide emissions averaging, and renewable energy generation investment credits in the program. The agency proposed new source performance standards for CO_2 emissions from new fossil fuel-fired power plants last April, and the proposal, which will be finalized this April, would limit all new facilities to 1,000 lbs/CO_2/MWh. Finalizing the rule will trigger a requirement under Section 111(d) for the agency to establish similar standards for existing power plants.

Emissions Report
The Environmental Protection Agency reported February 5 that power plants were the top source of domestic greenhouse gas emissions reported by large emitters in 2011, accounting for 2.2 billion MT CO_2e, roughly two-thirds of total emissions, from 8,000 sources across the country. Oil and natural gas production and refineries emitted the second, 225 MMT CO_2e, and third, 182 MMT CO_2e, most emissions, respectively.

Solid Waste Rules
The Environmental Protection Agency released a document February 7 showing that the final rule governing solid wastes burned as fuel was altered to expand eligible materials after industry representatives met with the agency and the Office of Management and Budget. The new version lists an additional category of materials called recycling residuals, such as corrugated cardboard rejects, construction and demolition wood, and creosote-treated railroad ties, that would be good candidates to be listed as fuels in subsequent rulemakings.

Energy Efficiency Shift
Gina McCarthy, Environmental Protection Agency assistant administrator for air and radiation, told the National Association of State Energy Officials February 7 that the agency would like to move away from mandating the installation of emissions controls and instead focus in pollution reduction strategies like the promotion of energy efficiency and encouragement of replacing old equipment with modern technologies.

General Services Administration

Green Building Ratings
The General Services Administration issued findings February 6 from a federal government review of green building ratings systems and is seeking additional comments on whether and how to use them. Following the comments, which must be received by April 8, the administration could issue a final decision recommending that the federal government use one, multiple, or no systems, thus impacting the various ratings organizations. The agency had originally planned to issue a recommendation last fall but delayed the decision due to the large number of public comments, including from federal agencies, on the third-party rating systems. The administration also released findings of the EISA Ad-Hoc Review Group on Green Building Certification Systems on the three building systems the government is considering in its review: the U.S. Green Building Council's Leadership in Energy and Environmental Design program, the Green Building Initiative's Green Globes, and the International Living Future Institute's Building Challenge. The group found that the Green Globes aligns best with federal requirements for new construction, while LEED fits best with federal requirements for existing buildings.

International

OECD Energy Tax Reports
The Organization for Economic Cooperation and Development released a report January 28 finding that the United States ranks among wealthy countries with the most room to improve its use of energy taxes to achieve environmental goals. The report, *Taxing Energy Use*, is the first systematic, comparative energy tax analysis in the 34 member countries, and shows how tax rates vary for different types and uses of fuel for member countries. The organization released a second report the same day, *Inventory of*

Estimated Budgetary Support and Tax Expenditure for Fossil Fuels, detailing about 550 fossil fuel support measures in the member countries.

India Solar Trade Case
The United States initiated World Trade Organization dispute proceedings February 6 to challenge what it claims are illegal domestic content requirements in India's national solar energy program. The Office of the United States Trade Representative said India's program discriminates against American solar equipment by requiring solar energy producers to use Indian-manufactured solar cells and modules and by offering subsidies to developers for using domestic equipment. The two sides will have 60 days to hold consultations to reach a settlement, and if one cannot be reached within that period, the US may request a dispute panel to rule on its claims.

China Solar Trade Case
SolarWorld Industries America Inc. asked the U.S. Court of International Trade February 1 to reject the Commerce Department's scope ruling in unfair trade cases targeting Chinese solar cells and panels. The company is pressing its arguments in two complaints with the court, challenging the agency's scope rulings in final dumping and final countervailing duty determinations. Changzhou Trina Solar Energy Co. Ltd. and Trina Solar Inc. asked the court February 4 to reject the agency's final determinations as well.

Global Aviation Emissions
During the High-level Group on International Aviation and Climate Change's January 30-February 1 meeting at the United Nations International Civil Aviation Organization, the seventeen member countries made limited progress in finding a global agreement on reducing aviation sector emissions.

Russian Environmental Compliance
Russian Prime Minister Dmitry Medvedev directed several ministries February 4 to work together to craft proposals for increasing companies' compliance with environmental regulations. The same day, the Ministry of Natural Resources and Environment released a comprehensive report on the state of the country's environment in 2011 to use as a basis for strengthening regulations. The assessment found recurring problems with air pollution and temperature increases across the country, detailed each industry's environmental impacts, and named top polluters.

Canada Appeals WTO Findings
Canada filed an appeal February 5 against a World Trade Organization ruling backing a European Union and Japanese complaint against discriminatory provisions in Ontario's Feed-In-Tariff program. The appeal challenges the panel's December 19 findings, which concluded that provisions in the green energy program requiring a minimum domestic content in renewable power projects violated WTO rules.

Bonn GHG Talks
The United Nations Climate secretariat announced February 8 that the next iteration of negotiations about the development of a 2020 international agreement to address greenhouse gas emissions will take place April 29-May 3 in Bonn, Germany. The Bonn meetings will be the first in a set of four to take place in 2013, as negotiators work to build a framework for a new Kyoto-like agreement that will garner the support of large countries such as the United States and China. The Bonn meeting will bring together the Ad-Hoc Working Group on the Durban Platform for Enhanced Action, a U.N. working group tasked with developing the text of a 2020 climate deal that could be signed in 2015.

Arctic Council
Environment officials from Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden, and the United States issued a statement after a February 6 meeting of the Arctic Council in Sweden voicing concerns about black carbon emissions, declining biodiversity, and ocean acidification. The council agreed that countries should release inventories of black carbon under rules being developed through the Convention on Long Range Transboundary Air Pollution. The Arctic Biodiversity Assessment, a group of scientists working under the auspices of the Arctic Council, will conduct a survey of Arctic biodiversity and release a report detailing its findings this spring.

States

NY Fracking
New York State Comptroller Thomas DiNapoli (D) announced February 5 that Cabot Oil and Gas Corp. has agreed to publicly disclose its policies and procedures for reducing or eliminating the use of toxic chemicals in its fracking operations. The state pension fund owns about 184,000 shares of Cabot, worth roughly $7 million.

RGGI Reduces Cap
The Regional Greenhouse Gas Initiative announced recommended changes February 7 to the rules for the GHG emissions cap and trade system for the nine northeast and Mid-Atlantic member states. The changes would reduce the 2014 regional CO2 budget to 91 MMT from 165 MMT, and the cap would decline 2.5 percent each year from 2015 to 2020. Many states are easily meeting the current target, in part because of greater natural gas usage.

MN Coal-Plant Closures
The Minnesota Public Utilities Commission ordered January 31 Otter Tail Power of Fergus Falls to close one of its coal-fired power plants by 2020. The previous day, Minnesota Power of Duluth announced that it would phase out two of its coal-fired facilities and convert one of them to natural gas.

Miscellaneous

Profits from Sustainability Efforts Climb
The Massachusetts Institute of Technology and the Boston Consulting Group released an annual study February 5 finding that more than a third of companies are reporting a profit from their sustainability efforts, a 23 percent increase from the previous year. The analysis, *The Innovation Bottom Line*, concluded that 37 percent of surveyed companies reported profits from their sustainability efforts, up from 31 percent the previous year.

US GHG Reductions Possible
The World Resources Institute released a report February 6 finding that federal agencies and states have the necessary tools to reduce GHG emissions 17 percent from 2005 levels by 2020, but will need new legislation to reduce emissions 80 percent by 2050. The report, *Can the U.S. Get There From Here? Using Existing Federal Laws and State Action to Reduce Greenhouse Gas Emissions*, concluded that though the Environmental Protection Agency and others have those necessary tools, the country is likely to miss its 2020 target unless the administration undertakes aggressive actions to address climate change.

RFS Reforms Necessary
A coalition of petroleum refiners, marine engine manufacturers, and environmental groups, including the American Fuel & Petrochemical Manufacturers, said February 4 that the current renewable fuel standard program is unworkable and should be reformed or repealed. Though not offering specific reforms, the group contended that the RFS diverts corn from agriculture to produce ethanol, contributes to global food shortages, encourages grasslands farming, and encourages ethanol blends in gasoline that could damage currently used vehicles. ActionAid, the Environmental Working Group, and National Marine Manufacturers called on Congress to reform the RFS, saying that they were encouraged by Senator Lisa Murkowski's (R-AK) energy plan, which includes reforming the RFS. The National Marine Manufacturers Association will soon circulate draft legislation on the issue.

Clean Water Act Revisions Urged
During the National Association of Clean Water Agencies conference February 3-6, the wastewater industry called for renewed efforts to revise the Clean Water Act to take into account climate change and its impact on water quality and quantity in wastewater utility operations. The utilities want the authority to treat the water for direct and indirect potable use as well as the authority and financial support to generate energy on-site or use alternative energy sources to run their water treatment operations.

Alliance to Save Energy Releases Energy Efficiency Plan

The Alliance Commission on National Energy Efficiency Policy released a plan February 7 that it claimed would double energy productivity by 2030 and reduce CO_2 emissions one-third from 2005 levels through tax and regulatory reform. The plan was outlined in the commission's report, *Energy 2030: Doubling U.S. Energy Productivity by 2030*. The commission was co-chaired by Senator Mark Warner (D-VA).