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ENERGY AND ENVIRONMENT UPDATE

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Energy and Climate Debate

As gas prices continue to fall and the House and Senate debate fiscal year 2013 appropriations, energy issues continued to play a central role in the federal debate last week.

The House approved, 255-165, their fiscal year 2013 Energy and Water Development appropriations bill (H.R. 5325) on June 6, providing \$32.1 billion for the Departments of Energy, Interior's Bureau of Reclamation, the Army Corps of Engineers, the Nuclear Regulatory Commission, and other independent agencies. The bill includes amendments prohibiting the Department of Energy from enforcing light bulb efficiency standards, delaying the agency's new efficiency standards for battery chargers and external power supplies, preventing the agency from issuing any new Section 1705 loan guarantees, blocking the U.S. Army Corps of Engineers from implementing Clean Water Act guidance on which waters fall under federal protection, and putting into place limitations on federal agency purchases of transportation fuels from unconventional sources, including fuels derived from oil sands, oil shale, and coal-to-liquid processes. The House also approved an amendment from Representative Cliff Stearns (R-FL) aimed at preventing the Department of Energy from paying back investors before taxpayers if a company defaults on a government-backed loan. An amendment offered by Representatives Mike Burgess (R-TX) and Ed Markey (D-MA) to strike funding for a uranium enrichment program aiding USEC's Ohio project was rejected, as was an amendment offered by Representatives Dennis Kucinich (D-OH) and Tom McClintock (R-CA), aimed at cutting funding for the Department of Energy's 1703 loan guarantee program. The Senate Appropriations Committee approved its \$33.4 billion version of the bill, which includes more funding for renewable and alternative energy and less for traditional fossil fuels, on April 26.

On June 7, Senators Chris Coons (D-DE) and Jerry Moran (R-KS) introduced the Master Limited Partnership Parity Act (S. 3275). The bill makes available to renewable energy tax incentives that are currently only available to the fossil fuel industry, amending the tax code to allow investors in renewable energy projects to form master limited partnerships. Cosponsored by Senators Al Franken (D-MN), Amy Klobuchar (D-MN), Jeanne Shaheen (D-NH), Jon Tester (D-MT), and Sheldon Whitehouse (D-RI), the bill defines qualified renewable energy projects as biomass, geothermal, hydropower, and municipal solid waste.

Congress

House Staff Optimistic on Coal Ash Measure

The Environment Council of the States held its annual meeting on June 8 and included a panel discussion with David McCarthy, chief counsel at the House Subcommittee on Environment and the Economy. Mr. McCarthy, said that he is "very optimistic" that the current Congress will see final passage of coal ash legislation either as a stand-alone measure or part of the Transportation reauthorization bill.

House Subcommittee Approves Grid Bill

On June 7, the House Energy and Commerce Subcommittee on Energy and Power approved the Resolving Environmental and Grid Reliability Conflicts Act (H.R. 4273), which exempts power plants from complying with federal, state, and local environmental regulations when operating during a Section 202(c) emergency order. The order allows the Department of Energy to issue emergency orders directing power plants to generate additional power to meet increased demand. The bill, introduced by Representative Pete Olson (R-TX) and 17 bipartisan cosponsors, protects the plants from civil and criminal penalties and citizen lawsuits. The bill will now move to the full committee for consideration.

Senate Farm Bill Progress

On June 7, the Senate voted 90-8 to move forward with debate on S. 3240, the 2012 farm bill, setting the stage for two to three weeks of debate according to Senate Agriculture Committee Chair Debbie Stabenow (D-MI). So far, at least 70 amendments have been filed and more are anticipated. Amendments cover proposed cuts to crop insurance, the elimination of subsidies for certain products, and changes to, or a repeal of, the federal sugar program.

House Letter to EPA on Particulate Limits

A June 6 letter signed by House Energy and Commerce Committee Chairman Fred Upton (R-MI), Subcommittee on Energy and Power Chairman Ed Whitfield (R-KY), and committee chairman emeritus Joe Barton (R-TX), asks Environmental Protection Agency Administrator Lisa Jackson to include the option of retaining existing standards for air quality standards for particulates in the agency's revision of the standards. The agency was under court order to propose the standards by June 7, but recently received an extension until June 14.

President Obama Urged on Energy Commodities Exports

Senator Ron Wyden (D-OR) and Representative Ed Markey (D-MA) sent a letter May 31 to President Obama urging him to utilize his authority under the Energy Policy and Conservation Act of 1975 to adopt rules on the export of energy commodities including coal, petroleum products, natural gas, and petrochemical feedstocks. The congressmen are concerned that liquefied natural gas exports will raise the domestic price of natural gas. The Department of Energy, in the midst of a two-part study of LNG exports, has suspended decisions on LNG export applications until the process is complete this summer.

Senate Finance Hearing on Tax Reform and Energy Policy

The Senate Finance Committee will hold a hearing June 12 on the impact of tax reform on the nation's energy policy. The hearing is part of a series on how various industries would be impacted by tax reform. Witnesses at the hearing will include Phillip Sharp, president of Resource for the Future; Dale Jorgenson, an economist and professor at Harvard University; and Harold Hamm, President and CEO at Continental Resources Inc., and energy adviser to Mitt Romney.

Senate Energy Committee Drafting Nuclear Waste Legislation

In remarks at Bipartisan Policy Center event on June 6, Senate Energy and Natural Resources Committee Chairman Jeff Bingaman (D-NM) said that his committee is working on legislation to implement the major recommendations of the Blue Ribbon Commission on America's Nuclear Future, which was created in 2010 to find a solution for the permanent disposal of commercial spent nuclear fuel. The commission's recommendations include a new organization to manage spent fuel, renewed efforts to develop at least one consolidated storage facility, and a consent-based approach to the siting of facilities.

House Judiciary Approves Bill on Environmental Review Process

Defeating all Democratic amendments, the House Judiciary Committee approved, 14-8, the Responsibly and Professionally Invigorating Development (RAPID) Act (H.R. 4377) on June 6. The measure, intended to streamline the environmental review process for major construction and infrastructure projects

receiving federal funds or under a requirement for reviews by federal agencies, would set firm deadlines for federal agencies to complete environmental reviews and to issue permits for projects falling under the National Environmental Policy Act of 1969; although Democrats have argued that, in effect, it will create two sets of standards for NEPA reviews: construction projects; and federal agency activities such as rulemaking.

Congressman Introduces Energy Development Legislation

House Majority Whip Kevin McCarthy (R-CA) introduced legislation June 6 comprised of seven energy bills that have previously been passed by House committees and are intended to increase energy production and lower regulatory hurdles for energy production. The legislative package includes: the Planning for American Energy Act (H.R. 4381), the Providing Leasing Certainty for American Energy Act (H.R. 4382), the Streamlining Permitting of American Energy Act (H.R. 4383), the Strategic Energy Production Act (H.R. 4480) the Gasoline Regulations Act (H.R. 4471), the National Petroleum Reserve Alaska Access Act (H.R. 2150) and the BLM Live Internet Auctions Act (H.R. 2752).

Shaheen-Portman Energy Efficiency Bill Stalled

In a conference call with reporters on June 6, Senate Majority Leader Harry Reid (D-NV) said that he would bring the Energy Savings and Industrial Competitiveness Act of 2011 (S. 1000), to the Senate floor for consideration if he could reach agreement with Republican leadership on limiting the number of non-germane amendments. The measure provides funding for energy efficiency financing programs, national building codes, and other measures related to energy conservation. Although staff for Senators Jeanne Shaheen (D-NH) and Rob Portman (R-OH) met with staff for Majority Leader Reid and Senate Minority Leader Mitch McConnell (R-KY) to determine a way to move forward on the bill, no consensus has been reached. The House version of the bill, H.R. 4017, was introduced by Rep. Charlie Bass (R-NH), but has not moved in the Energy and Commerce Committee.

Transportation Secretary Queried on Airlines and EU Carbon Caps

At a June 6 hearing of the Senate Commerce Committee, Transportation Secretary Ray LaHood was questioned about whether the Administration would support Senator John Thune's (R-SD) legislation to prohibit American airlines from participating in the European Union's Emissions Trading System. The European Union Emissions Scheme Prohibition Act (S. 1956) instructs the Secretary of Transportation to bar American airlines from participating in the EU's emissions trading system if the Secretary has determined that it would be in the public interest to do so; it also instructs government officials to conduct negotiations so that aircraft operators that fail to comply with the emissions trading scheme are not subject to retaliation or penalties from the EU. Senator Thune is considering offering the legislation as an amendment to other pending legislation. Secretary LaHood, while saying that he wasn't prepared to take a position on the legislation, did say that he and other Administration officials, including Secretary of State Hillary Clinton, have made their opposition to the EU plan clear.

House Hearing on EPA Priorities and Practices

On June 6, the House Energy and Commerce Committee Subcommittee on Energy and Power held a hearing titled: "EPA Priorities and Practices." Witnesses included Mr. Bryan W. Shaw, Ph.D., Chairman, Texas Commission on Environmental Quality; Mr. Barry T. Smitherman, Chairman, Texas Railroad Commission; Mr. Stephen B. Etsitty, Executive Director, Navajo Nation Environmental Protection Agency; Mr. Allen Short, General Manager, Modesto Irrigation District; Mr. Robert J. Sullivan, Jr., Chairman, Oklahoma Independent Petroleum Association; and Mr. Joel A. Mintz, Professor of Law, Nova Southeastern University. The focus of the hearing was Environmental Protection Agency regulations and their impact on state autonomy as well as on the coal industry. Five of the witnesses expressed their support for reduced regulation, saying that states could regulate themselves; they also did not approve of the targeting of the coal and fossil fuel industry by agency regulators. Mr. Alfredo Armendariz, the former Region 6 administrator, was scheduled to appear before the panel, but he pulled out at the last minute. Much of the hearing was spent talking about his comment that the agency was going to "crucify" the oil and gas industry. All of the Subcommittee members expressed their disapproval of Mr. Armendariz's comments, although a few defended him by saying they were taken out of context. Most of the panelists felt the Clean Air and Water Acts were now being interpreted in a way to discriminate against coal producers who cannot meet sequestration and carbon capture requirements.

House Hearing Challenges Administration Green Jobs Reporting Practices

On June 6, the House Committee on Oversight and Government Reform held a hearing on the Department of Labor's jobs reporting practices. At issue were the agency's standards for what qualifies as a "green job." Chairman Darrell Issa (R-CA) argued that Department of Labor uses green jobs as a means to fund President Obama's green agenda, while counting welders, college professors, environment reporters, lobbyists, and policy experts as working in green jobs.

Murkowski Seeks to Link Government Funding to Royalties

In a June 5 speech at an energy forum sponsored by George Washington University, Senate Energy and Natural Resources Committee Ranking Member Lisa Murkowski (R-AK) said that, as energy tax subsidies are phased out, she supports linking federal clean energy technology funding to government royalties generated by increased domestic oil, natural gas, and coal production. The senator is expected to release a long-term energy plan sometime this summer after a comprehensive review of existing federal energy policy.

Transportation Bill Conference

On June 5, Senate conferees on the Transportation bill reauthorization sent a draft bill to their House counterparts. Senator Barbara Boxer (D-CA), Chair of the Senate Environment and Public Works Committee as well as the conference committee for the legislation, said that the draft proposal does not include most of the non-transportation related environmental amendments, specifically, language pertaining to coal ash and the Keystone XL pipeline. Later in the week, Speaker of the House John Boehner (R-OH) said that if the committee does not soon reach an agreement, he envisions a six-month extension to follow the June 30 deadline.

Tax Extenders

On June 8, the House Ways and Means Subcommittee on Select Revenue Measures held a hearing on expiring tax provisions. Subcommittee Chairman Pat Tiberi (R-OH) said after the hearing that he would like to see a tax extenders package move ahead of the November elections, while noting that this would be difficult to achieve.

House Committee Seeks White House Docs on Loan Guarantee

Representative Darrell Issa (R-CA), Chairman of the House Oversight and Government Reform Committee, and Representative Jim Jordan (R-OH), Chairman of the Subcommittee on Regulatory Affairs, Stimulus Oversight, and Government Spending, sent a letter June 7 to White House Counsel Kathryn Ruemmler requesting "all communications" between the Office of Management and Budget, the Executive Office of the President, and the Departments of Commerce, Energy, and Interior that are related to the loan guarantee application of BrightSource Energy, Inc. The letter maintains that documents obtained to date indicate that the company used its relationships with the White House to expedite its application to the DOE loan guarantee program. The congressmen sent a similar letter to John Woolard, President and CEO of BrightSource Energy.

MD Congressman to EPA on Fracking

In a letter to Environmental Protection Agency Administrator Lisa Jackson dated June 7, Representative Andy Harris (R-MD), Chairman of the House Science, Space, and Technology Subcommittee on Energy and Environment, asked 28 questions regarding hydraulic fracturing. Most of his questions were in response to a congressionally requested study on the risk of fracking to drinking water. He is particularly interested in explanations of the scope and intentions of a review of drinking water statutes being conducted by EPA's Office of Science Policy. The letter asks that Ms. Jackson respond within 3 weeks.

NRC Nomination Hearing Set

The Senate Environment and Public Works Committee has scheduled the joint nomination hearing June 13 for Nuclear Regulatory Commission Chairman Gregory Jaczko's replacement, Allison Macfarlane, and the reappointment of Kristine Svinicki.

Legislation Introduced

Congressman Jeff Fortenberry (R-NE) introduced legislation (H.R. 5935) on June 8 to prohibit the Secretary of Energy from enforcing regulations pertaining to certain battery chargers.

Upcoming Hearings

The Senate Energy and Natural Resources Committee will hold a hearing June 14 to consider U.S.-Chinese clean energy relations. Justin Wu, head of wind industry research, Bloomberg New Energy Finance; Alan Wolff, senior counsel, McKenna Long & Aldridge LLP; Dan Holladay, director of advanced technologies and PV programs, Sematech; and Derek Scissors, senior research fellow, the Heritage Foundation, will testify.

Department of Energy

\$7 Million for Efficient Lighting

The Department of Energy announced June 7 more than \$7 million for three innovative lighting projects that aim to reduce the cost of manufacturing high-efficiency solid-state lighting technologies like light-emitting diodes and organic light-emitting diodes, which are ten times more efficient than conventional lighting and can last up to 25 times as long. The technologies have the potential to reduce national lighting electricity use by nearly 50 percent by 2030, saving up to \$30 billion annually. The two-year projects, which leverage an additional \$5 million in private sector funding, were awarded to North Carolina's Cree Inc., California's KLA-Tencor, and Michigan's k-Space Associates.

Department of State

Green Buildings

Speaking at a June 5 event sponsored by the U.S. Green Building Council, Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs Kerr-Ann Jones said that the federal government and the private sector are seeing an increased role for green buildings. According to Ms. Jones, five U.S. embassy buildings are already certified by USGBC's Leadership in Energy and Environmental Design Program, with 30 more progressing toward LEED certification.

Environmental Protection Agency

MATS Rule Compliance & Equipment Installation

At the annual meeting of the Environmental Council of the States on June 8, Environmental Protection Agency Administrator for Air and Radiation Gina McCarthy said that compliance within the final Mercury and Air Toxics Standards rule within three years is sufficient for most cases, while states are allowed to offer a fourth year for compliance and that the agency could also allow a fifth year if necessary for certain cases. Power industry representatives at the meeting expressed concern about power shortages as they shutdown facilities to install equipment to comply with the MATS rule. Ms. McCarthy said that, for any permanent shutdowns of coal-powered plants on the horizon, agency regulations should not be viewed as the culprit, but pointed instead to the move to less expensive natural gas.

Final Rule on Carbon Dioxide as Refrigerant for Motor Vehicle Air Conditions

On June 6 the Environmental Protection Agency published in the Federal Register a final rule approving the use of carbon dioxides as a refrigerant for motor vehicle air conditioners, provided that manufacturers incorporate safety provisions into their system designs. The rule is effective August 5 and is part of the agency's Significant New Alternatives Policy for approving alternatives to refrigerants that deplete the ozone. The rule does not apply to retrofit automobiles, nor does it apply to air conditioning for buses, trains, rail or subway cars, or refrigerated transport appliances. The rule applies for automobiles with systems that are designed to use carbon dioxide, and is designed to prevent negative health effects on drivers or passengers if carbon dioxide leaks from the system.

Federal Energy Regulatory Commission

Electric Industry Seeks to Overturn FERC Rule

A lawsuit filed on June 6 with the U.S. Court of Appeals for the District of Columbia Circuit by the Electric Power Supply Association, the American Public Power Association, Edison Electric Institute, the National Rural Electric Cooperative Association, and Old Dominion Electric Cooperative, seeks to overturn a Federal Energy Regulatory Commission rule compensating business customers for reducing power usage, arguing that the rule will unfairly subsidize large business customers. Filing participants say that the rule, under which a megawatt of electricity saved is priced the same as a megawatt of electricity produced, exceeds the agency's authority under the Federal Power Act. The rule, Order 745, is generally known as the demand response compensation rule, and is intended to lead to energy conservation, increased innovation for smart grid technologies, and reduced emissions from power plants.

Nuclear Regulatory Commission

Federal Appeals Court Rules Against NRC on Waste Confidence Rule

In a case brought against the Nuclear Regulatory Commission by New York, Vermont, Connecticut, the Natural Resources Defense Council, the Southern Alliance for Clean Energy, Riverkeeper Inc., and the Blue Ridge Environmental Defense League, the U.S. Court of Appeals for the District of Columbia ruled on June 8 that the commission did not conduct a sufficiently thorough analysis of its rule determining that spent nuclear fuel could be safely stored at power plants for as long as 60 years beyond a reactor's license. As a result, the court has granted petitions for review, vacated the waste confidence decision update and temporary storage rule, and sent them to the Commission for further action.

States

NY Brownfields Program Criticized

A report issued on June 7 by Environmental Advocates of New York says that tax credits issued under the state's brownfields program have failed to provide areas most in need of development with relief. According to the report, the program, over ten years, has cleaned up 114 brownfields sites, fewer than most other states, and that tax credits provided by the program between 2006 and 2011, totaling \$1 billion, were not targeted to areas most in need of clean up.

ME Amends Wood Pellets Tax Exemption

Legislation that went into effect on May 21 in Maine amends the sales tax exemption for wood pellets by allowing for up to 1,000 pounds of pellets to be exempt up until September 30, 2013 if used for residential purposes. The previous exemption was for 200 pounds. Beginning on October 1, 2013 any amount of wood pellets will be presumed to be for residential use and exempt from sales tax.

NE States Grappling with MW States' Air Pollution

In a June 7 meeting of the Environmental Council of the States, Connecticut Governor Dannel Malloy (D) said that Northeastern states will look to the federal government and the courts to help them address concerns about cross-state air pollution from Midwestern states. However, he was not specific on what legal options he is considering as the Environmental Protection Agency's Cross-state Air Pollution Rule has been stayed by the U.S. Court of Appeals for the District of Columbia and is being litigated. CSAPR is intended to help protect states from emissions from power plants in neighboring states by curbing nitrogen oxides, sulfur dioxide, and other emissions that contribute to ozone and other pollution.

NJ Department of Environmental Protection Facing Lawsuit over GHG Initiative

On June 6, the Natural Resources Defense Council and Environment New Jersey filed notice at the New Jersey Superior Court Appellate Division that they intend to file a lawsuit charging that the New Jersey Department of Environmental Protection did not adhere to public notice and comment requirements of the New Jersey Administrative Procedure Act when it withdrew from the Regional Greenhouse Initiative. RGGI is made up of 9 northeastern states and is a cooperative cap-and-trade system for carbon dioxide emissions from electric power plants. According to a spokesman for the NRDC, New Jersey's greenhouse gas program is covered by the state's Administrative Procedure Act and therefore any decision to drop the RGGI mandate to purchase carbon dioxide allowances required a public comment opportunity.

NY State Elected Officials Weigh in on Fracking

Elected Officials to Protect New York, a newly organized group of local officials, sent a letter to Governor Andrew Cuomo (D) on June 4 urging a continued moratorium on hydraulic fracturing in the state until the completion of studies on fracking's impact on public health and other local issues. Signed by 280 town and county officials, the letter urges the state to conduct a comprehensive health impact assessment of fracking that includes a study of direct and indirect health effects and cumulative health impacts of fracking; as well as an analysis of the socioeconomic impacts and increased demands on local governments and economies.

SC Reinstates Plug-In Hybrid Tax Credit

Legislation enacted by the state legislature in May reinstates the income tax credit for the purchase or lease of a new plug-in hybrid vehicle for tax years 2012 through 2016. The credit is equal to \$667, plus \$111 if the vehicle has a minimum of 5kw hours of batter capacity. In a previous iteration, the state tax credit had equaled \$2,000.

EPA Receives Complaint on California Cap and Trade Program

The Center on Race, Poverty, and the Environment filed a complaint on June 8 with Environmental Protection Agency charging that California's economy-wide greenhouse gas emissions cap and trade program is in violation of Title VI of the Civil Rights Act of 1964. The center, which filed the complain on behalf of five groups, says that the state's cap and trade program will negatively impact low-income and minority neighborhoods, and argues that the California Air Resources Board discriminated against communities of color located nearby to industrial facilities because those communities will not see a benefit in emissions due to the design of the trading program, which allows emitters to either reduce emissions or purchase credits in order to be in compliance.

RGGI Compliance

A June 4 report released by the Regional Greenhouse Gas Initiative says that of the 211 power plants subject to RGGI's requirements, only five were not in compliance as a result of their failure to have allowances for all of their carbon dioxide emissions. Four of the noncompliant plants are located in New York, and one in Connecticut. In order to be compliant with RGGI requirements, the plants must purchase one allowance for each short ton of carbon dioxide emissions.

International

EU Revises E-Waste Law

On June 7, the European Union Council revised a waste electronic and electrical equipment law requiring some EU nations, starting in 2016, to collect a minimum of 45% more of the e-waste they produce. The revised law was approved by the European Parliament in January, and is expected to lead to 48.5 pounds of e-waste recycled in 2020 for every person in the EU.

Pre-Doha Round Climate Talks Set for Late Summer

In advance of the year-end U.N. Framework Convention on Climate Change summit in Doha, Qatar, set for November 26 through December 7, a late summer round of talks has been scheduled in Bangkok with the hope of advancing the climate change agenda. The Bangkok talks are likely to be held August 30 through September 5, although those dates are not yet firm.

IPCC to Create New Guidelines on GHG Emissions

On June 7, the Intergovernmental Panel on Climate Change announced that it would develop new guidelines on how nations can measure the impact on GHG emissions from agriculture, forestry, and land use changes. IPCC's Task Force on National Greenhouse Gas Inventories will complete the guidelines by October 2013 allowing them to be reviewed at a U.N. climate summit in November 2013. The most recent update of GHG guidelines from IPCC was issued in 2006.

EU Renewable Energy Goals

On June 6 European Union Energy Commissioner Günther Oettinger said that within two years the EU should decide on its renewable energy goals for 2030 and how it is best prepared to achieve the goals. He added that the decision would need to determine whether a 2030 renewable energy target is needed

or if they should set a greenhouse gas emission reduction target. Goals for 2030 are expected to be proposed in the first half of 2013, with final decisions made by mid-2014, coinciding with European elections. For his part, Oettinger indicated that he is leaning toward a recommendation that they set a renewables target for 2030 as well as an emission reduction target.

World Bank Report on Sustainable Development

On June 5 the World Bank released a 10-year strategy for sustainable development that is intended to protect biodiversity and ecosystems, manage pollution, and support low-emission development. The strategy, *Toward a Green, Clean, and Resilient World for All: A World Bank Group Environmental Strategy 2012-2022*, supports protection of natural capital including wetlands, coral reefs, and forests, and also addresses region-specific environmental challenges.

EU Report on Carbon Dioxide Emissions Caps for Vehicles

According to a report released on June 6 and sponsored by the European Commission, the European Union's 2020 carbon dioxide emissions cap for vehicles of 95 grams per kilometer is achievable and at a lower price tag than previously thought. The *Competitive Automotive Regulatory System for the 21st Century* report was produced by a panel made up of executives from the auto industry and national government ministers. The report says that "technologies are available for meeting the 2020 targets and vehicle manufacturers and component suppliers have already invested in this area."

Mexican Emissions Reductions

Mexican President Felipe Calderon signed national climate change legislation into law June 5. The world's 12th largest carbon emitter now becomes the second nation to include binding emission reductions targets in its climate change policy. The law sets targets to reduce national emissions by 30 percent in 2020 and 50 percent by 2050 and requires 35 percent of the nation's energy to come from renewable sources by 2024 while allowing for a national emissions trading scheme. The legislature approved the measures in April, with a unanimous vote in the Senate.

Miscellaneous

Coal Ash Studies Argues Against Hazardous Designation

A study released by the American Coal Ash Association on June 6 says that coal ash has similar concentrations of metals as found in residential soils and should not be designated as a hazardous waste by Environmental Protection Agency. "*Coal Ash Materials Safety—A Health Risk-Based Evaluation of USGS Coal Ash Data From Five US Power Plants*," used data from the U.S. Geological Survey and the Environmental Protection Agency risk-based screening levels to evaluate any potential human health risks from coal ash and found that 15 out of 20 trace elements studied were below residential screening levels. House and Senate conferees to the Transportation reauthorization bill are currently working to determine whether the final bill will include a House-passed provision limiting the ability of Environmental Protection Agency to regulate coal ash while leaving the authority with the states.

Study Links Coal-Fired Power Plants to Great Lakes Region Mercury Emissions

A study released June 6 by the Natural Resources Defense Council says that, with 144 electricity plants in the Great Lakes region, more than half of the region's mercury emissions come from 25 coal-fired plants. Further, the council says that by using "off the shelf" pollution controls, nearly 90% of the mercury emissions could be eliminated.

Report Cautions Gulf Coast Region on Climate Change Hazards

A report released on June 6 by the Center for Climate and Energy Solutions urges residents, local governments, and the energy and fishing industries of the Gulf Coast to take steps to adapt to hazards caused by climate change. Those hazards include hurricanes, a rising sea level, increased air and water temperatures, and drought. According to the report, the regions unusually flat terrain, land subsidence, and a lack of barrier islands make the Gulf Coast particularly vulnerable to climate change. The report calls for the energy industry to strengthen design standards for offshore drilling platforms and pipelines, raising highways, strengthening dock facilities, and limiting upstream use of fertilizer on the Mississippi River.

Companies Launch Plant-Based Plastic Effort

On June 5, the Plant PET Technology Collaborative was launched by the Coca-Cola Co., the Ford Motor Co., H.J. Heinz Co., Nike Inc., and Procter & Gamble Co. to promote technology to make 100% plant-based plastic. Polyethylene terephthalate is a durable, lightweight plastic used in plastic bottles, apparel, footwear, carpet, automotive fabric, and other materials. Currently, existing plant-based plastics used by these five companies are made of 30 percent plant-based material.

Clean Energy Summit

On August 7, Senate Majority Leader Harry Reid (D-NV) will host his fifth annual clean energy summit at the Bellagio Hotel & Resort in Las Vegas. Confirmed speakers include former President Bill Clinton, Center for American Progress Chairman John Podesta, Federal Energy Regulatory Commission Chairman Jon Wellinohoff, United Steelworkers President Leo Gerard, American Wind Energy Association CEO Denise Bode, and Tesla Chairman and CEO Elon Musk.

Report Shows Sharp Decline in Vision for Future of Coal

A June 4 Black & Veatch report, *2012 Strategic Directions in the U.S. Electric Utility Industry*, concludes that 58 percent of electric utility respondents surveyed say there is a future for coal in the American power industry – down from 81.5 percent in a similar survey conducted last year. 42 percent of respondents indicated that they are preparing their business model to include renewables.

State of the Voluntary Carbon Markets 2012

Bloomberg New Energy Finance and the non-profit organization Forest Trends have released their *State of the Voluntary Carbon Markets 2012* report that says that the market for voluntary carbon offsets achieved a 3 year high in 2011. In that year, more than \$576 million in offsets were traded, with the U.S. representing the largest source of demand. The biggest year for trading of offsets was 2008, when the total was \$776 million.

Chicago Joining Better Building Challenge

At a June 5 event with Energy Secretary Chu, Chicago Mayor Rahm Emanuel announced that the city is joining President Obama's Better Buildings Challenge, a national leadership initiative that calls on CEOs, university presidents, and state and local leaders to reduce their portfolio-wide energy use by 20 percent by 2020 and to share the results of their energy reduction strategies. Chicago is committing to reduce citywide energy use by 20 percent within the next 5 years over 24 million square feet of public and private building space.

Industry Report on Methane

A report released on June 4 by the American Petroleum Institute and America's Natural Gas Alliance found that methane escapes into the atmosphere from unconventional natural gas wells at only half the rate estimated by the Environmental Protection Agency. The report charges that calculations of methane emissions from hydraulic fracturing and other gas well operations have been greatly exaggerated as a result of Environmental Protection Agency using an unrepresentative set of data. The report was produced by the consulting firms URS Corp. and Levon Group, and is titled *Characterizing Pivotal Sources of Methane Emissions from Unconventional Natural Gas Production*.