

Energy & Sustainability Washington Updates – October 2019

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Congress returned from the annual August recess on September 9 for a three-week work period before returning home for a district work period the first two weeks of October.

National Energy Awareness Month

President Trump has issued a Presidential Proclamation naming October 2019 as National Energy Awareness Month, recognizing "the role the energy industry has played in our Nation's success", and paying "tribute to America's energy workforce, which has ushered in a new era of American energy dominance." The proclamation calls for American leadership on "the energy technologies of tomorrow" including advanced small modular nuclear reactors, transformational coal technologies, more efficient semiconductors for solar cells, and improved battery storage technology.

Senate Committee Advances Energy Legislation

On September 25, the Senate Committee on Energy and Natural Resources approved 21 bills, including:

- The Clean Industrial Technology Act (CITA) (S. 2300), introduced by Senator Sheldon Whitehouse (D-RI), supports research to reduce greenhouse gas emissions from industrial sources while making American companies more competitive in the global market. The bipartisan bill directs the Department of Energy to establish a new advisory council to coordinate funding for developing innovative technologies for industrial purposes along with a technical assistance program to help states, local governments, and tribal organizations implement low carbon technologies. Rep. Sean Casten (D-IL), co-chair of the New Democrat Coalition Climate Change Task Force, introduced the House bill (H.R. 4230), which was approved by the House Science Subcommittee on Energy on September 11 and will now go before the full committee. CITA is supported by a number of industry and environmental groups, including the Environmental Defense Fund, Center for Climate and Energy Solutions, Industrial Energy Consumers of America, Carbon180, Information Technology and Innovation Foundation, Clean Air Task Force, Third Way, National Association of Manufacturers (NAM), Natural Resources Defense Council, U.S. Chamber of Commerce, American Chemistry Council, The Niskanen Center, The Nature Conservancy, and BlueGreen Alliance.
- The Better Energy Storage Technology (BEST) Act (S. 1602), which was amended with a comprehensive energy storage package made up of language from a number of bills previously approved at the subcommittee level, including the Promoting Grid Storage Act, the Expanding Access to Sustainable Energy Act, the Reducing the Cost of Energy Storage Act, and the Joint Long-Term Storage Act. As approved by the committee, the BEST Act requires the Department of Energy to establish a cross-cutting energy storage system research and development program with the goal of reducing the cost and extending the duration of energy storage systems; requires the Department of Energy to undertake at least five energy storage system demonstration projects, including a minimum of one project designed to address long-term storage needs; establishes a joint program between the Department of Energy and the Department of Defense to demonstrate long-term storage technologies; establishes a program at the Department of Energy to assist electric utilities with identifying, evaluating, planning, designing, and developing processes to procure energy storage systems; establishes a prize competition at the Department of Energy to advance the recycling of critical energy storage materials such as lithium, cobalt, nickel, and graphite; and requires the Federal Energy Regulatory Commission (FERC) to conduct a rulemaking to develop standard processes for utilities to recover energy storage system costs in FERC-regulated rates.

Other bills approved by the committee in this meeting include:

- S. 1821, the Marine Energy Research and Development Act
- S. 2094, the Enhancing State Energy Security Planning and Emergency Preparedness Act
- S. 2095, the Enhancing Grid Security through Public-Private Partnerships Act
- S. 2137, the Energy Savings and Industrial Competitiveness Act
- S. 2332, the Grid Modernization Act
- S. 2335, the Smart Building Acceleration Act

New Energy Legislation

Home Energy Savings Act & New Home Energy Efficiency Act

Sens. Maggie Hassan (D-NH) and Susan Collins (R-ME) have joined with Reps. Jimmy Gomez (D-CA), and Mike Kelly (R-PA) to introduce a pair of bipartisan bills aimed at lowering energy costs, reinstating tax credits for energy efficient home upgrades and incentivizing energy efficiency in new homes. The Home Energy Savings Act reinstates and extends through 2026 the 25C tax credit for high-efficiency windows, air conditioners, furnaces, boilers, electric heat pumps, and water heaters, while modernizing the product-specific efficiency standards. The bill increases incentives for homeowners by increasing the credit from covering 10% to 15% of the cost of efficiency upgrades, raises the lifetime cap on the credit from \$500 to \$1,200 to encourage multiple efficiency projects, and increases incentive caps for individual product categories. The New Home Energy Efficiency Act reinstates and extends the 45L tax credit for new home energy efficiency through 2022, while modernizing efficiency standards. The bill also expands the credit from \$2,000 to \$2,500 for new homes meeting modern energy efficiency standards. A summary of the bills is HERE.

Protecting Resources On The Electric grid with Cybersecurity Technology (PROTECT) Act

On September 26, Senate Energy and Natural Resources Chairwoman Lisa Murkowski (R-AK) and Ranking Member Joe Manchin (D-WV) introduced bipartisan legislation to enhance the security of the electric grid. Sens. James Risch (R-ID), Maria Cantwell (D-WA), and Angus King (I-ME) joined them in introducing the **PROTECT Act**. Among other provisions, the legislation: 1) Directs the FERC to issue rulemaking on rate incentives for advanced cybersecurity technology; and Establishes a Department of Energy grant program for utilities not regulated by FERC, such as electric cooperatives and municipal utilities, to deploy advanced cybersecurity technology.

Low-Income Solar Act

Legislation to make solar energy more affordable for low-income families was introduced in the U.S. House of Representatives and the U.S. Senate on September 11. The **Low-Income Solar Energy Act** was introduced in the House as H.R. 4291 by Reps. Donald McEachin (D-VA), Nanette Diaz Barragán, Pramila Jayapal (D-WA), Ben Ray Luján (D-NM), and in the Senate as S. 2462 by Sens. Tammy Duckworth (D-IL), Corey Booker (D-NJ), and Richard Durbin (D-IL). The bill expands the Low-Income Housing Energy Assistance Program (LIHEAP), directs the Department of Energy to create new financing programs, and provides Section 8 homeowner's interest free loans, among other provisions.

Promoting American Energy Jobs Act

Senators Jeanne Shaheen (D-NH) and Martha McSally (R-AZ) introduced S. 2508, the **Promoting American Energy Jobs Act**, on September 18. The bipartisan bill is aimed at increasing the United States' understanding of the energy sector's economic contributions and helping build out the American energy workforce. Among other things, the bill would require the federal government to more accurately account for energy jobs, such as those associated with clean energy technologies – like wind, solar and energy storage – while also counting those associated with energy efficiency. The bill requires the Secretary of Energy to establish an Energy Jobs Council tasked with publishing an annual report while consulting with additional federal agencies and key stakeholders; establishes guidelines for required methodology and the contents of the report; and ensures public access to the data collected. The Promoting American Energy Jobs Act is endorsed by various energy and environmental organizations, including the Alliance to Save Energy, Building Performance Association, Business Council for Sustainable Energy, Clean Energy Trust, Cooper Development Association, £2 (Environmental Entrepreneurs), £4TheFuture, Energy Storage Association, Environmental and Energy Study Institute, National Association of Energy Service Companies, National Association of State Energy Officials and Nuclear Energy Institute.

Other New Energy Legislation

- Rep. Eric Swalwell (D-CA) introduced H.R. 4481, the Securing Energy Critical Elements and American Jobs Act, on September 24. The aim of the bill is to help the United States develop the technical expertise and production capabilities to assure a long-term, secure and sustainable supply of energy critical elements (ECEs).
- Rep. Tom O'Halleran (D-AZ) introduced H.R. 4447, the Expanding Access to Sustainable Energy
 Act, on September 20. The bipartisan bill has four cosponsors and promotes the adoption of energy
 storage technologies for rural electric cooperatives. Senators Amy Klobuchar (D-MN) and Jerry Moran
 (R-KS) introduced Senate companion legislation (S. 1183).
- Rep. Paul Gosar (R-AZ) introduced H.R. 4444, the Western Area Power Administration
 Transparency Act, on September 20. The bipartisan bill has 13 cosponsors and requires the
 Administrator of the Western Area Power Administration to establish a pilot project to provide increased
 transparency for customers. Sen. Martha McSally (R-AZ) introduced the Senate version (S. 1931),
 which the Senate Energy and Natural Resources Committee approved on September 25.

- Rep. David McKinley (R-WV) introduced H.R. 4433, the Appalachian Regional Energy Hub Initiative
 Act, on September 20 with two Republican cosponsors. The bill directs the Appalachian Regional
 Council (ARC) to provide funds to help in the creation of an Appalachian petrochemical hub.
- Rep. Scott Tipton (R-CO) introduced H.R. 4410, the Rare Earth Cooperative 21st Century
 Manufacturing Act, on September 19 with 5 Republican cosponsors. The bill, aimed at making the
 U.S. more competitive with China in the processing of rare earth minerals, establishes a federal
 cooperative that would allow companies to process rare earth minerals.
- Rep. Rodney Davis (R-IL) introduced H.R. 4385, the Small Refinery Exemption Fairness Act, on September 18. The bipartisan bill has 11 cosponsors and requires the EPA Administrator to use the average number of Small Refinery Exemptions (SREs) granted in the previous three calendar years when formulating the Renewable Volumes Obligations (SVO) for an upcoming year.
- Sen. Edward Markey (D-MA) introduced **S. 2527**, the **BAN Oil Exports Act**, on September 19 with two Democratic cosponsors. The bill reinstates the ban on the export of crude oil and natural gas produced in the United States.
- Sens. Martin Heinrich (D-NM) and Susan Collins (R-ME) introduced **S. 2447**, the **American Energy Opportunity Act**, on September 9. The bipartisan bill provides state and local governments with voluntary tools to expedite and standardize the permitting process for energy technologies, such as rooftop solar and battery storage, while ensuring high quality and safe installations.

Authors



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Neal Martin brings more than two decades of experience in government and federal relations to his work, helping clients navigate a wide range of issues. He provides strategic guidance to organizations seeking to advance their legislative priorities and enhance their visibility before Congress and federal agencies.