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Energy & Sustainability Washington Updates — December 2019

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Congress returns to Washington the week of December 2 for a short work period of two weeks, although additional legislative days may be added to the calendar as the House and Senate work to conclude several matters before the end of the year. Items on the agenda include Fiscal Year 2020 appropriations, the annual National Defense Authorization Act, and a potential year-end omnibus legislative package that would include various bills.

New Energy Secretary Confirmed by Senate

On November 19, the Senate Energy & Natural Resources Committee approved the nomination of Dan Brouillette to serve as Secretary of Energy, sending the nomination to the full Senate, which confirmed Mr. Brouillette on December 2.

Senate Energy Committee Advances Legislation

The Senate Energy & Natural Resources has **advanced** a number of energy-related measures, sending them to the full Senate for consideration. Among the measures approved were the:

- **Protecting Resources On The Electric grid with Cybersecurity Technology (PROTECT) Act** (**S. 2556**). The bill establishes a grant program at the Department of Energy to advance the cybersecurity defenses of rural electric cooperatives and municipal utilities. It also directs the Federal Energy Regulatory Commission to incentivize cybersecurity investments by electric utilities.
- **Advanced Geothermal Innovation Leadership (AGILE) Act** (**S. 2657**). The bill includes provisions for research and development of both existing and enhanced geothermal systems, resource assessment updates, grant program authorization, and improved permitting.
- **Nexus of Energy and Water for Sustainability (NEWS) Act** (**S. 2799**). The bill creates a new joint Department of Energy and Department of Interior Office on the Nexus of Energy and Water for Sustainability.
- **Solar Energy Research and Development Act** (**S. 2668**). The bill establishes a new Department of Energy program for research, development, and deployment of solar energy technologies.

House Democrats Introduce Green Energy Legislation

Democrats on the House Ways & Means Committee have released a discussion draft of the **Growing Renewable Energy and Efficiency Now (GREEN) Act**, which includes titles on renewable electricity and reducing carbon emissions, renewable fuels, green energy and efficiency incentives for individuals ("tax extenders"), greening the fleet and alternative vehicles, investment in the green workforce, investment in the green workforce, and a Treasury report on data from the Greenhouse Gas Reporting Program. Among the bill's provisions is language to:

- Revive and extend the production tax credit (PTC) through 2024 for closed loop biomass, open loop biomass, landfill gas, trash, qualified hydropower, and marine and hydrokinetic renewable energy facilities;
- Revive and extend the PTC for geothermal energy through the end of 2019;
- Preserve the PTC for wind energy at the current phase-out levels for 2018 and 2019 (60% and 40%, respectively) and then extend at 60% through the end of 2024;
- Extend the investment tax credit (ITC) for solar at 30% through 2024, and then phase-down over two years to 10% thereafter;
- Modify the ITC for geothermal to match the credit timeline for solar energy property with a two year phasedown to 10% thereafter;
- Extend the ITC for fiber-optic solar equipment, fuel cell property, microturbine property, combined heat and power property, and small wind energy property at 30% through the end of 2024 and then phase-

down to 22% by 2026;
- Expand the ITC to include energy storage technology, waste energy recovery property, qualified biogas property, and linear generators at 30% through the end of 2024 and then phase-down to 22% in 2026.
- Exempt offshore wind facilities that elect into the ITC rather than the PTC from reductions in the credit from the onshore wind facility phase-out;
- Extend certain energy and energy efficiency tax provisions for individuals, including the Sec. 25C nonbusiness energy property credit, the Sec. 179D energy efficient commercial buildings deduction, and the Sec. 45L new energy efficient home credit.

The GREEN Act is supported by the Alliance to Save Energy, American Biogas Council, American Council on Renewable Energy, American Public Power Association, American Wind Energy Association, Baseload Power Association, Biomass Power Association, Citizens' Climate Lobby, Electric Drive Transportation Association, Energy Storage Association, Environmental Defense Fund, Fuel Cell and Hydrogen Energy Association, League of Conservation Voters, National Hydropower Association, National Resource Defense Council, National Wildlife Federation, Sierra Club, Solar Energy Industries Association, Union of Concerned Scientists, and U.S. Green Building Council.

While action on this legislation is possible in 2019, Congress is more likely to take action in 2020.

A section-by-section summary of the GREEN Act is located here, and the discussion draft is located here.

Other New Energy Legislation

A number of energy bills were introduced in November:

- Nuclear Waste Policy Amendments Act (S. 2917), a bill introduced by Sen. Barrasso (R-WY) that would provide for reforms to the nation's nuclear waste management policy to ensure the federal government's legal obligations to dispose of spent nuclear fuel and high-level waste are fulfilled. The House version of the bill (H.R. 2699) was introduced by Rep. McNerney (D-CA) and approved by the House Energy & Commerce Committee last month.
- Growing Renewable Energy through Existing and New Environmentally Responsible Fuels Act (H.R. 5113 and S. 2873), a bill introduced by Rep. Welch (D-VT) and Sen. Udall (D-NM) that would reform the renewable fuel program.
- A House resolution introduced by Rep. Neguse (D-CA) that encourages the Architect of the Capitol to transition to the exclusive use of electricity derived from renewable energy sources to power the United States Capitol complex by 2032.
- Making Pipelines Accountable to Consumers and Taxpayers (MPACT) Act (S. 2771), a bill introduced by Sen. Blumenthal (D-CT) to amend the Natural Gas Act to protect consumers from excessive rates.

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.