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Energy & Sustainability Washington Updates — January 2020

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New Secretary of Energy Sworn in by President Trump

On December 11, President Trump presided over the swearing in of Dan Brouillette to serve as the 15th Secretary of Energy, with Vice President Pence administering the oath of office. Secretary Brouillette issued the following statement: "It is with tremendous honor and gratitude that I take the oath to serve this great nation as the United States Secretary of Energy. I want to thank the President and the Members of the Senate for placing their confidence in me to help advance our national security, our energy security, and our economic security through groundbreaking science and technology. I'd also like to thank my dear friend and predecessor, Secretary Perry, for his unwavering support and remarkable tenure, as well as the hardworking men and women fulfilling our mission across the Department. It's been a blessing to witness first-hand their continued dedication and skill, determination and patriotism. President Trump's policies have led to a historic era in American energy. We are the world's largest oil and gas producer, second biggest generator of wind and solar power, and continue to lead the entire world in energy-related carbon emissions. I look forward to building on this success as Secretary of Energy and to opening new avenues of progress that will make a lasting difference for our nation and our world."

Energy Tax Extenders Signed Into Law

As part of the budget deal approved by the House and Senate in mid-December and signed into law by President Trump on December 20, a number of energy tax provisions were revived or extended. While the original tax extenders language legislation would have extended the provisions through 2024, the final enacted legislation, now public law, only extends most provisions through the end of 2020 and 2022.

For example, the bill revived and extended the production tax credit (PTC) through 2020 for closed loop biomass, open loop biomass, geothermal plants, landfill gas, trash (municipal solid waste), qualified hydropower, and marine and hydrokinetic renewable energy facilities. Regarding residential and commercial building energy efficiency, the bill extended through 2020 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 bill revived and renewed the biodiesel credit through 2022.

The bill did not include an expansion of the Investment Tax Credit (ITC) for energy storage technology or energy credits for offshore wind. Additionally, the bill left in place the phase-down of the ITC for solar, fiber-optic solar, qualified fuel cell, small wind facilities, and qualified microturbine, combined heat and power, and geothermal heat pump facilities.

With the tax extenders package falling short of the original goal of extending provisions through 2024, it is possible that we will see another effort on tax extenders in the lame duck session of Congress following the November elections.

Senate Energy Committee Advances Legislation

On December 12, the Senate Energy and Natural Resources Committee advanced 19 public lands and energy measures, including:

- S. 1890, the Renew America's Schools Act, which provides grants for energy efficiency and renewable energy improvements at public schools.
- S. 2393, the Clean Energy Jobs Act, a bill to promote a 21st-century energy workforce. The bill establishes a comprehensive, nationwide program at the U.S. Department of Energy (DOE) to create a well-trained workforce in the energy sector. This program would improve education and training for

careers in energy-related industries. Further, the bill provides DOE new authority to offer direct assistance to schools, workforce development boards, and labor organizations. The bill also establishes a pilot program to provide funds to businesses to pay employees who are receiving training to work in the renewable energy, energy efficiency, and grid modernization sectors or provide services related to a reduction in greenhouse gas emissions.
- S. 2399, a bill to amend the Energy Policy Act of 2005 to improve state loan eligibility for projects for innovative technology.
- S. 2660, the Wind Energy Research and Development Act, which establishes a grant program for wind energy research, development, and demonstration. The bill authorizes and expands DOE's Office of Wind Energy for five years. It also directs the Secretary of Energy to award competitive grants to improve the energy efficiency, reliability, and capacity of wind energy generation; improve land-based and offshore blade, generator, tower, and support designs and transformational technologies for harnessing wind energy, including airborne wind energy generators; increase recycling and reuse of wind energy components; reduce the cost of permitting, construction, operation and maintenance of wind energy systems; conduct a wind energy technology validation and market transformation program; reduce barriers to widespread adoption of wind power; and develop new wildlife impact mitigation technologies.
- H.R. 617, the Department of Energy Veterans' Health Initiative Act, a bill to authorize the DOE to conduct collaborative research with the Department of Veterans Affairs in order to improve healthcare services for veterans.

House Energy Subcommittee Touts 2019 Accomplishments

A December 16 **press release** from House Energy & Commerce Committee Chairman Pallone (D-NJ) and Energy Subcommittee Chairman Rush (D-IL) commends the subcommittee for its work last year to advance energy efficiency, invest in a diverse clean energy workforce, transition the United States to a clean energy economy, and improve public safety and security. Accomplishments highlighted in the release include the passage of H.R. 1315, the Blue Collar and Green Collar Jobs Development act; subcommittee and full committee passage of legislation supporting investments in weatherization and efficiency; passage of legislation to secure energy infrastructure from cyberattacks and protect the public from unsafe pipelines; and introduction of a comprehensive infrastructure bill.

Other New Energy Legislation

December saw the introduction of several energy bills, including:

- H.R. 5514, the Community Energy Savings Program Act, a bill to establish a program to provide loans to implement cost-effective energy efficiency measures. The bill was introduced by Rep. Kuster (D-NH) and is cosponsored by Reps. Welch (D-VT), Casten (D-IL), Connolly (D-VA), Barragan (D-CA), Huffman (D-CA), Quigley (D-IL), Morelle (D-NY), Blunt Rochester (D-DE), and Haaland (D-NM).
- H.R. 5428, the Grid Modernization Research and Development Act, a bill to amend the Energy Independence and Security Act of 2007 and the Energy Policy Act of 2005 to direct Federal research on grid modernization and security. Reps. Lamb (D-PA) and Herrera Beutler (R-WA) introduced the bipartisan bill, with Reps. Johnson (D-TX) and Fitzpatrick (R-PA) cosponsoring.
- S. 3046, the Wastewater Efficiency and Treatment Act, a bill to establish a program to provide grants and loan guarantees to improve the energy efficiency of publicly owned wastewater treatment facilities. Sen. Merkley (D-OR) introduced the bill with no cosponsors.
- H.R. 5374, the Advanced Geothermal Research and Development Act, a bill to establish and support advanced geothermal research and development programs at the Department of Energy. Reps. Lucas (R-OK) and Johnson (D-TX) introduced the bipartisan bill.
- H.R. 5335, the American Energy Opportunity Act, a bill requiring the Secretary of Energy to establish or designate the Distributed Energy Opportunity Board to carry out a program to facilitate a voluntary streamlined process for local permitting of distributed renewable energy, energy storage, and electric vehicle charging systems. The bipartisan bill was introduced by Rep. Tonko (D-NY) with Reps. Fortenberry (R-NE) and Lee (D-NV) cosponsoring.

Authors

R. Neal Martin, Senior Director of Government Relations

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.