

# CEEPC Legislative Update

September 28, 2011

**Comment Letters:** At the July meeting, the Committee voted to send two comment letters. Two comment letters have been reviewed by the Legislative Advocacy Subcommittee for consideration.

## *Federal*

### **HR 2599 PACE Assessment Protection Act of 2011**

**Status:** August 22 referred from the House Finance Committee to the Subcommittee on Insurance, Housing and Community Opportunity

**Summary:** Would rescind the Federal Housing Finance Authority's guidance and affirm the validity of PACE financing. It would define PACE financing as an "assessment," not a "loan." This legislation would limit or eliminate risks to Fannie Mae and Freddie Mac by establishing national program standards such as underwriting criteria, consumer protections, qualifying improvements, and qualifying contractors.

CEEPC's comment letter supported this bill.

### **S 652 Building and Upgrading Infrastructure for Long-Term Development**

**Status:** March 17 Referred to Committee on Finance

**Summary:** Would establish the American Infrastructure Financing Authority (AIFA) to provide direct loans and loan guarantees to facilitate transportation, water, or energy infrastructure projects. Requires infrastructure projects assisted under this Act to have costs of at least \$100 million (\$25 million for rural infrastructure projects).

CEEPC is considering a comment letter to ensure that district energy and thermal energy solutions will qualify. Additionally, the letter would recommend lowering the eligibility threshold.

### **S 1108 10 Million Solar Roofs Act of 2011**

**Status:** July 12 Hearing in Committee on Energy and Natural Resources

**Summary:** Would create a competitive grant program with \$50 million in funds for each fiscal year 2012 - 2016 to make solar permitting more efficient. The program's ultimate goal is to help install solar energy systems on at least 10 million properties by the end of 2020.

CEEPC's comment letter supported the bill and suggested adding other clean energy technologies.

## **State- Maryland Public Service Commission**

### **Utility Case Nos. 9153-9157**

**Status:** Utilities have filed energy efficiency plans with the Maryland Public Service Commission for the 2012 to 2014 period for the EmPower Maryland program.

**Summary:** Potomac Edison would offer incentives for LEDs for municipalities that own and operate their lights; Pepco and Delmarva would replace mercury vapor lights with high pressure sodium lights; BGE and SMECO did not include street lighting programs.

CEEPC is considering a letter to recommend including LED and induction street lights programs in all utility plans.

## **Additional Legislation to Watch:**

**SAVE Act:** IMT drafted legislation that will be introduced by Senator Michael Bennett. The bill would instruct federal loan agencies to assess a borrower's expected energy costs when financing a house, providing better information about a homeowner's monthly expenses at no cost to taxpayers. Guidelines would instruct lenders to add the net present value (NPV) of expected energy savings when calculating the loan to-value ratio. If no qualified energy report is available, the valuation will not be adjusted.

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## Appropriations:

**Department of Energy:** The House passed HR 2354 on July 15 by a vote of 219 – 196. The Senate Appropriations Committee passed a funding plan on September 7 by a vote of 28 – 2.

<b>Comparison of Department of Energy Proposed Funding Plans</b>				
<i>(in thousands of dollars)</i>	<b>FY 2011 Enacted</b>	<b>President's Request</b>	<b>House HR 2354</b>	<b>Senate Committee Recommendation</b>
<b>Department of Energy</b>	\$25,838,957	\$30,932,628	\$24,970,872	\$25,548,976
<b>Energy Efficiency &amp; Renewable Energy</b>	\$1,795,641	\$3,200,053	\$1,308,436	\$1,795,641

**Environmental Protection Agency:** The House Appropriations Committee passed HR 2584 on July 13 by a vote of 28 – 18, on party lines. The bill has not been voted on in the House.

Cuts from FY 2011 funding levels include:

- Blocking implementation of GHG stationary and mobile source regulations
- An amendment approved July 27 that would cut funding for EPA's GHG reporting registry in half
- Proposed amendments:
  - Prevent funds from being used for climate change programs, including research
  - Block mandatory reporting of GHs
  - Prevent EPA from offering funds to foreign organizations

**HUD-DOT-EPA Partnership for Sustainable Communities:** The House Appropriations Subcommittee would eliminate funding for this partnership in the Transportation and Housing and Urban Development in their proposal. The Senate Appropriations Committee voted on a proposal on September 20 that would keep funding for this program. COG has benefited from a Smart Growth Implementation Assistance Award from EPA for climate adaptation planning as part of this Partnership.