MWCOG Climate, Energy and Environment Policy Committee

Monthly COG Staff update as of March 24, 2010

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Federal Regulatory Updates

✓ EPA GHG Regulation

Stationary sources (Feb.22): In response to a letter wrote by eight Democratic senators, EPA administrator Lisa Jackson recently clarified EPA timetable regarding permitting requirements for GHG emissions. No regulation will begin until calendar year 2011. Regulation will then first apply only to facilities that already must apply for other non-GHG permits under the Clean Air Act. In the second half of 2011, other large stationary sources will be included. Between 2011 and 2013, the threshold for permitting is expected to be higher than the 25,000 tons initially proposed by EPA. Smaller sources would not be considered until sometime after 2016.

Regarding Sen. Lisa Murkowski s (R-AK) resolution of disapproval, Jackson noted that if passed it would strip the EPA of its endangerment finding. Specifically, the action would strip the federal government of the authority to create uniform regulation for standard light duty vehicles. http://epa.gov/oar/pdfs/LPJ letter.pdf

Cars: The EPA has also submitted a rule to regulate GHG emissions and fuel economy from light-duty vehicles, in conjunction with the NHTSA. The final rule is expected to be signed on March 31st, and will impose stricter requirements for cars in the 2012-2016 model years. Transportation Secretary Ray LaHood also recently announced that plan for regulating GHG emissions and fuel economy for years 2017 and later was being outlined and that he would announce those plans "very soon." http://yosemite.epa.gov/opei/RuleGate.nsf/byRIN/2060-AP58

Legal Challenges: In response to proposed EPA GHG regulations, 16 legal challenges have been filed by the attorney generals of Virginia, Texas, and Alabama, along with industry associations and members of Congress. Amendments barring or delaying EPA regulation were also proposed by Senator Murkowski (R-Alaska), Rep. Jo Ann Emerson (R-MO), Rep. Pomeroy (D-ND), and Sen. Jay Rockefeller (D-WV) and are being considered in committee. http://www.greenbiz.com/news/2010/02/18/legal-challenges-pile-against-epa-climate-regulation http://blog.energytomorrow.org/2010/02/opposition-grows-to-ghg-regulation-by-epa.html

Biofuels GHG Emissions (Feb. 2) The White House signed off on a new EPA regulation of biofuels' GHG emissions as the final step to implementing the 2007 RFS (renewable fuel standard). The EPA created new categories of biofuels based on each source's "lifetime emissions" potential, and mandated an increase in the proportion of advanced biofuels (from sources other than corn and soybeans) from 1-3% by 2012. http://www.epa.gov/otaq/renewablefuels/420f10007.htm

Federal Legislative Updates

✓ GHG Reduction Target for Federal Operations (Jan. 29) President Obama issued an executive order stating the federal government will reduce its GHG pollution by 28% by 2020. Federal agencies will also be required to include GHG emissions and climate change impacts in their NEPA environmental impact reviews. http://www.nytimes.com/gwire/2010/02/19/19greenwire-new-white-house-guidance-straightforward-commo-96518.html

- ✓ Senate Climate Bill (March 18) Senators John Kerry (D-Mass.), Joe Lieberman (I-Conn.) and Lindsey Graham (R-SC) are currently drafting an energy and climate change bill. While less comprehensive than the Waxman-Markey bill passed by the House, the senators are considering a cap-and-trade program for electric utilities, and a carbon tax for the transportation sector. The three senators are currently meeting with industry leaders, to gain support before bringing the bill to vote. http://www.nytimes.com/cwire/2010/03/17/17climatewire-senate-trio-courts-industry-in-bid-to-pre-emp-5916.html
- ✓ Jobs for Main Street Act (March 18) The Jobs for Main Street Act was signed into law last Thursday, and main provisions include \$8.4 billion for public transportation investments, \$800 million to expand Amtrak, and \$2 billion for the Department of Energy's (DOE) Innovative Technology Loan Guarantee Program, which will support renewable energy and electric transmission projects. The "Cash for Caulkers" Home Star program is still being considered by Congress for inclusion in a future jobs bill.

Jobs bills: http://www.ncsl.org/default.aspx?TabId=19534

Cash for Caulkers – Home Star: http://www.whitehouse.gov/the-press-office/fact-sheet-homestar-energy-efficiency-retrofit-program

Federal Budget Updates

- ✓ **Obama FY11 Budget (Feb. 1)** The President's budget called for a freeze on most discretionary spending, but placed a strong emphasis on creating green jobs and increasing funding for DOE and NSF climate research. One prominent proposal called for tripling the DOE's nuclear loan guarantee budget, which provides lower-cost financing for new construction projects. In addition, the White House announced the DOE's first \$8.3 billion nuclear loan guarantee was awarded to build two new plants in Georgia. http://www.reuters.com/article/idUSN1513901820100216
- ✓ \$8 Billion for High-Speed Rail (Jan. 28) The President announced a new project funded by ARRA (the American Recovery and Reinvestment Act), to create the US' first nationwide high-speed rail system between major cities. Two of the proposed lines will connect Washington, DC with Richmond, Boston, and NYC. http://www.whitehouse.gov/the-president-obama-vice-president-biden-announce-8-billion-high-speed-rail-projects-ac

State Government Updates

✓ Virginia Offshore Oil Drilling (March 10) Governor McDonnell signed a bill devoting future offshore oil and natural gas drilling revenues to the state's Transportation Trust fund (70%), the Virginia Coastal Energy Research Consortium (20%) and local transportation improvements (10%). The bill received bipartisan support, although drilling applications and revenue-sharing plans must be further approved by the federal government. http://washington.bizjournals.com/washington/stories/2010/03/08/daily53.html

http://www.washingtonpost.com/wp-dyn/content/article/2010/03/16/AR2010031604036.html

✓ Hybrid and Electric Vehicle Incentives (March 8): The Maryland Energy Administration (MEA) launched a new \$1 million Electric Vehicle Infrastructure Program (EVIP), to create recharging stations for cars and trucks statewide. The Maryland Senate has also passed a bill providing up to \$2,000 in tax credits for purchasing electric or hybrid vehicles. In a similar story, this month Virginia lawmakers extended the rights for hybrids with "clean fuel" license plates to use HOV lanes until 2011. http://energy.maryland.gov/news/press/index.asp

http://wamu.org/news/10/03/19.php#33128

http://wtopnews.com/?nid=30&sid=1915086

- ✓ "Cash for Appliances" Programs are scheduled to begin in April 2010 for DC, Maryland, and Virginia, and will continue until funding is exhausted; their budgets are \$568,000 and \$5,405,000 and \$7,454,000 respectively. Under the program, local residents will be eligible to receive mail-in rebates for purchasing Energy Star appliances. http://www.energysavers.gov/financial/70022.html
- ✓ Smart Grid (Feb. 16) Dominion Virginia Power has dropped its proposal to install smart meters in all Northern Virginia homes by 2013, citing the need for more field testing of the technology. Local utilities PEPCO and BGE have conducted successful pilot programs and are awaiting approval by the Maryland Public Service Commission (PSC) before using federal stimulus money to install smart meters for customers. <a href="http://www.examiner.com/x-37215-Manassas-Environmental-News-Examiner~y2010m2d20-Dominions-smart-meter-rollout-delayed-in-Northern-Virginia http://somd.com/news/headlines/2010/11391.shtml

For all Smart Grid Projects: http://www.smartgrid.gov/smartgrid projects?category=All

✓ Offshore Wind Consortium (Feb. 22) Governors from eleven Atlantic States, including Maryland and Virginia, met last month to discuss forming an offshore wind consortium. Member states would coordinate with the federal government to plan sitting, regional transmission, and permitting for offshore facilities along the Atlantic Coast. http://www.ens-newswire.com/ens/feb2010/2010-02-22-094.html

Local Government Updates

✓ Montgomery County Home Energy Loan Program (March 25) Montgomery County is seeking comments on its proposed regulation for the Home Energy Loan Program (HELP). Under the proposal, local homeowners could receive low interest loans for home energy retrofits and clean energy installations. These loans would be attached to the property and repaid on the property tax bill. A public hearing will be held on March 25 at 7pm in the Executive Office Building auditorium in Rockville.

http://www.montgomerycountymd.gov/mcgtmpl.asp?url=/content/EXEC/Register/Mar10ProposedRegs.asp

- ✓ DC Bicycle Infrastructure (March 18) The District Department of Transportation announced plans to improve bicycle infrastructure in downtown DC this year. Bicycle lanes are planned along Pennsylvania Avenue, 9th, 15th, I, and L Streets in preparation for National Bike to Work Day on May 13th. http://greatergreaterwashington.org/post.cgi?id=5238
- ✓ Loudoun County Public Schools Designated ENERGY STAR Partner of the Year (March 18) Loudoun County was among a nation-wide group of organizations recognized by the DOE and EPA as an ENERGY STAR Partner of the Year. This past year, Loudoun County schools earned an ENERGY STAR rating for 24 facilities, performed energy audits, and improved energy efficiency by 10 percent. http://www.energystar.gov/index.cfm?fuseaction=pt_awards.showAwardDetails&esa id=3766
- ittp://www.energystar.gov/index.cimriuseaction-pt_awards.snowAwardbetans&esa_id=5766
- ✓ Washington DC take second place in EPA ranking of cities with the most Energy Star labeled buildings (March 23) Like in 2009, Los Angeles remains in first place. DC is followed by San Francisco, Denver and Chicago. http://www.energystar.gov/ia/business/downloads/2009 Top 25 cities chart.pdf

Regional Agency Updates

- ✓ Protocol Document on air quality, energy and climate integration (March 31) MWCOG will be presenting its Protocol Document to the US Department of Energy. This protocol provides recommendation to better incorporating EERE (energy efficiency and renewable energy programs) into State Implementation Plans (SIPs) and climate plans. The Protocol also features COG's emissions calculator tool that can be used to assess the benefits of EERE measures from a multi-pollutant perspective.
- ✓ Commuter Connections Promotion (March 31) MWCOG is sponsoring a promotion to pay new carpoolers joining Commuter Connections \$1 per ride, up to \$130 per person. The Pool Rewards program connects DC metro area commuters with other local residents, and works to combat traffic congestion and air pollution. http://www.abc2news.com/news/local/story/Get-Paid-for-Riding-with-Company/3Uq8RpVqzUGnSbQmXNIsEA.cspx

International News

✓ Copenhagen Accord Targets (Jan. 31) were formally submitted to the UN following conference negotiations. The EU pledged to reduce GHG emissions by 20% below 1990 levels by 2020, while the US submitted a far less stringent target: 17% below 2005 levels by 2020. In addition, China and India pledged to reduce their carbon intensity (or GHG emissions per unit of GDP) by 45 and 25 percent respectively. All of these targets are non-binding and subject to formalization through domestic legislation.

Both the US and EU stated they would move ahead with proposed targets, even without stronger actions by developing countries. In addition, the EU is considering increasing its reduction pledge to 30% below 1990 levels as member countries as a whole have met previous targets. http://www.guardian.co.uk/environment/2010/feb/02/climate-change-target-copenhagen-un

Upcoming Workshops and Events

March 26th: COG Workshop on GHG Inventory Data. Our Transportation Planning staff will discuss transportation data available to COG member jurisdictions.

March 27th: Earth Hour will be held on Saturday, March 27th at 8:30 pm. Join in the global movement to turn off our lights for one hour to raise awareness for sustainability! https://www.myearthhour.org/about

Earth Day 2010: The 40th Anniversary of Earth Day is on Thursday April 22nd. Among other activities in the DC Metro area, Clean Air Partners is sponsoring a poster and video contest for local elementary and high school students.

For more ideas on celebrating Earth Day throughout the month of April, see http://dc.about.com/od/specialevents/a/EarthDay.htm and COG member jurisdictions' websites.