

CEEPAC Monthly Updates – March 2014

Events, News & Announcements related to Climate, Energy, & Environment in the Washington Region

Events

Please bookmark MWCOC's Energy Calendar:

<https://ncrportal.mwcog.org/sites/surveys/climate/Lists/Calendar/calendar.aspx>

- ✓ **March 27-28:** [ACORE National Renewable Energy Policy Forum](#), Kennedy Caucus Room, Russell Senate Office Building, Washington, DC
- ✓ **March 30-April 1:** [ACEEE National Symposium on Market Transformation](#): "Efficiency in the Age of Interconnectivity," Hyatt Regency Hotel in Baltimore, Maryland
- ✓ **April 1:** [FERC technical conference on winter 2013-14 O&M performance](#), 888 First Street, NE
- ✓ **April 9:** **DC CUSP Workshop on Climate Change Communication**, National Geographic Grosvenor Auditorium, 1145 17th St., NW (RSVP to Jill Wertheim: jwerthei@ngs.org by March 28)
- ✓ **April 14:** **DC CUSP Workshop "Communicating Your Climate Story With Visualization"** National Geographic Grosvenor Auditorium, 1145 17th St., NW (RSVP to Jill Wertheim: jwerthei@ngs.org by March 28)
- ✓ **April 23-24:** [SolarTech East Coast 2014](#), AMA Center, 1601 Broadway, New York.
- ✓ **April 26:** [NCR 2014 Green Schools Summit](#), Cardozo High School, 2501 11th St NW, Washington, DC
- ✓ **April 30:** [US EPA Climate Showcase Communities Replication Workshop](#), Hotel Monaco, Baltimore, MD (Register for the workshop by April 15, 2014 at: <https://cscreplication.eventbrite.com>)
- ✓ **May 11-13:** [ACEEE Energy Efficiency Finance Forum](#), Capital Hilton Hotel in Washington, DC
- ✓ **May 12-14:** [ACCO 2014 Climate Strategies Forum](#), Washington Marriott, 1221 22nd St NW, Washington, DC
- ✓ **May 19-21:** [National Town Meeting on Demand Response and Smart Grid](#), including pre-Town Meeting [Microgrid Workshop](#), Ronald Reagan Building, 1300 Pennsylvania Ave NW, Washington, DC
- ✓ **May 20-21:** [EE Global 2014](#), Walter E. Washington Convention Center, Washington, DC

Climate, Energy, and Environment News

[AAAS makes rare policy intervention urging US to act swiftly to reduce carbon emissions and lower risks of climate catastrophe](#): In a new report, [What We Know](#), the American Association for the Advancement of Science urges Americans to act swiftly to reduce greenhouse gas emissions – and lower the risks of leaving a climate catastrophe for future generations. The group is hoping to persuade Americans to look at climate change as an issue of risk management and plans to send scientists on speaking tours to try to begin a debate on managing those risks.

[European parliament votes for stronger climate targets](#): On February 5, the European Parliament voted in favor of binding national targets for renewable energy, energy efficiency, and greenhouse gas emissions (GHG). The

proposal is stronger than a January European Commission proposal that had only one binding goal, to cut emissions by 40 percent by 2030, as well as other non-binding targets in renewable energy. In comparison, the parliamentary proposal calls for a 40 percent cut in GHG emissions compared with 1990 levels, 30 percent of energy to be sourced renewably, and a 40 percent increase in energy efficiency.

[Cities Almost Double Climate Actions Over 2 Years, C40 Says:](#) On February 5, at the C40 Cities Mayors Summit in Johannesburg, South Africa, the C40 Climate Leadership group released a report saying that since 2011, the world's 63 largest cities have doubled activities to reduce emissions and adapt to climate change. The report shows over 8,000 implemented climate actions, including use of bikeshare programs, LED streetlights, emission reduction, hybrid buses, and others. C40 is a conference of mayors and officials from 66 cities worldwide, collectively representing 600 million people, 5% of global GHG emissions and 21% of global GDP.

[Keystone pipeline approval in limbo after Nebraska ruling:](#) On February 19, the District Court of Lancaster County, Nebraska voided Governor Dave Heineman's decision to allow the Keystone XL pipeline to pass through the state, creating another snag for the controversial project to link Canada's oil sands with refineries in Texas. The Judge ruled that the Nebraska Public Service Commission was the proper state agency to decide pipeline issues. Heineman has appealed the decision, which will likely draw out the process for several more months.

[Edison Electric, NRDC: Utilities should do more than sell energy:](#) Edison Electric Institute (EEI), the industry association representing U.S. investor-owned utilities, and the Natural Resources Defense Council (NRDC), one of the nation's leading environmental organizations, released a joint statement in February supporting regulatory changes to facilitate more distributed generation and grid modernization efforts. The statement was released at the annual winter meeting of the National Association of Regulatory Utility Commissioners (NARUC). Utility commissioners make key rate decisions that can either support or deter utility efforts to integrate more clean energy into the grid. The statement supports decoupling profits from the volume of electricity sold to allow utilities to generate revenue by ensuring reliable and safe service, more customer choice and better environmental quality.

[Let the sun shine: The future is bright for solar power, even as subsidies are withdrawn:](#) Solar power in America is growing rapidly. Last year solar represented 29% of new electricity capacity, behind only natural gas at 46%. GTM, a research firm, reckons it will grow another 26% in 2014. This dramatic growth has largely been caused by a dramatic drop in the cost of photovoltaic solar cells. But challenges lie ahead: federal loan guarantees that enabled creation of huge solar plants like Ivanpah have expired, and in 2017, the federal solar-investment tax credit (ITC) will drop from 30% to 10% unless Obama can convince Congress otherwise. However, many in the industry say the ITC cut will not be a "death knell;" it will simply eliminate some marginal projects.

[Can Kemper become the first US power plant to use 'clean coal'?](#) When it comes online later this year, the Kemper County Energy Facility in east-central Mississippi will be the first power plant in the US capable of capturing and storing carbon dioxide emissions. The 582 MW facility is expected to burn through around 4m tonnes of low-grade lignite coal a year, all mined from the hills just behind the plant, but will strip out about two-thirds of CO2 emissions, achieving about the same level as a natural gas plant, according to utility owner Southern Company. The plant was repeatedly invoked by the EPA to justify sweeping [climate change](#) rules for new power plants.

[Minnesota To Reward Solar Producers for Climate Change Reduction:](#) On Mar. 12, Minnesota authorized a value-of-solar tariff that utilities can use to credit solar power producers for the benefits they are providing to

utilities and society. Individual utilities can opt into the tariff as an alternative to net metering, allowing the solar power producers they serve to claim a credit based on annually-adjusted combined savings from fuel, plant operations and maintenance, generation capacity, transmission capacity, reserve capacity, distribution capacity, and environmental benefits – including a conservative estimate of the avoided costs of climate change. By one estimate, the tariff will provide a 5-kW solar producer about \$200 per year above what they would earn through net metering.

The MILE Act: Intrastate crowdfunding in Michigan and the benefits to financial institutions: Impatient for the federal government to finalize JOBS Act rules, a number of states have passed their own crowdfunding laws or regulations. The Michigan Invests Locally Exemption (MILE) Act, passed at the end of December 2013, enables intrastate crowdfunding. The law allows a business without audited financial statements to raise \$1million in equity or debt through a private securities offering on a website. A business with audited financial statements can raise \$2million. The MILE Act also opens up an exemption for non-accredited investors, capping investment at \$10,000 per person per project to help protect these funders. The law unlocks new financing opportunities for Michigan companies and new investment opportunities for Michigan residents, and hopes to boost the state economy with an injection of new capital for innovative and small businesses.

Landmark Agreement with Shareholders: ExxonMobil to Report on Climate Change & Carbon Asset Risk: In response to a shareholder resolution, ExxonMobil – the largest U.S. energy company, for the first time ever has agreed to publish a Carbon Asset Risk report on the Company website describing how it assesses the risk of stranded assets from climate change. The report will provide investors with greater transparency into how ExxonMobil plans for a future where market forces and climate regulation makes at least some portion of its carbon reserves unburnable.

Regional Updates

Winter Electricity Price Spikes Put Clean Currents Out of Business: The polar vortex and accompanying prolonged single-digit temperatures drove retail natural gas prices in the region up about 50%, and sent the wholesale electricity market into uncharted territories. Wholesale prices jumped from around \$50 to \$1000 per megawatt hour, a 2000% increase. One of the casualties of this spike was Clean Currents, a green energy retailer that operated in Maryland, Washington, D.C., and Pennsylvania. The company went out of business in early February because it had not adequately hedged against the risk of soaring winter energy prices.

District releases report card on energy and water consumption: On February 24 D.C. released data on energy and water consumption by for 490 of the city's largest privately-owned buildings, pursuant to benchmarking requirements under the Clean and Affordable Energy Act of 2008. About 1,450 buildings will be covered by the requirement by the end of this year. More information is available on DDOE's [website](#).

Pepco Providing 2,000 Free Trees to Maryland and D.C. Customers: In the fourth year of partnership with the Arbor Day Foundation, Pepco is providing 2,000 free trees to customers in Maryland and the District of Columbia through the Energy-Saving Trees program. Launched as a pilot initiative in 2011, the Energy-Saving Trees program helps customers conserve energy and reduces household electricity bills through strategic tree planting. Pepco customers can reserve their free trees today at www.arborday.org/pepco .

District of Columbia

[Vincent Gray Signs Law Putting Primary Power Lines Underground:](#) On March 3, Mayor Vincent Gray signed The Electric Company Infrastructure Improvement Financing Act of 2013, authorizing a \$1 billion program to put primary power lines underground in an effort to prevent power outages during extreme weather. Following a series of snowstorm-caused power outages in the District, Gray established the DC Power Line Undergrounding Task Force, which determined that undergrounding primary mainline and lateral wires (high voltage circuits) is the most prudent technical approach for the District to address circuit vulnerability.

Maryland

[Public Service Commission establishes fees to opt out from smart meters:](#) On February 27 the Maryland PSC approved a fee schedule for customers wishing to opt-out of smart meters. All utilities will charge customers a one-time \$75 fee and a smaller fee for the three months following. The fees will help cover the additional costs utilities will incur serving two sets of customers and maintaining a separate infrastructure for customers who opt out. Smart meters are more accurate in reporting electricity use and detecting outages, and allow for more customer control over their energy use and therefore their bill. However, some customers are concerned the meters infringe on their privacy.

[Frederick's 'green' promise goes unfulfilled at North Pointe:](#) North Pointe was intended to be the first net-zero energy neighborhood in the nation. With the neighborhood about one-third complete, Nexus EnergyHomes, the builder contracted to construct the project, has decided another builder should take over. Nexus has been hamstrung by lack of access to capital and construction line of funding. The Housing Authority of the City of Frederick, which owns the land, is defaulting its contract with Nexus but is committed to finding a new builder that will complete the original concept, using the same net-zero energy building design inside and out, and that will take responsibility of all remaining warranty issues.

[Proposed changes to Montgomery County energy benchmarking bill favors building owners:](#) The energy benchmarking bill Councilman Roger Berliner introduced in January has met severe opposition from the Montgomery County real estate community. The bill may be amended to delay the submissions deadline, eliminate requirements for residential buildings and remove energy audit & retro-commissioning requirements. The bill was intended to combine the strongest elements of benchmarking bills across the country.

[In Rockville, a quiet bicycling transformation takes place:](#) Rockville has built a 68-mile bike network and is looking to expand. Since 1999, volunteers on the Rockville Bicycle Advisory Committee (RBAC) have worked with the city to expand infrastructure and develop bicycle-friendly policies. Notably the City developed Maryland's first Safe Routes to School curriculum, added bicycle safety classes to Montgomery College's course offerings, and in 2000 completed the Carl Henn Millennium Trail, a multiuse "bicycle beltway." Rockville recently released an update of the city's Bikeway Master Plan, proposing 24.5 miles of new dedicated bikeway facilities. The draft master plan is currently [available online](#); the city is accepting public comments through April 30.

Virginia

[Va. Utility Eyes Substation Security:](#) Dominion plans to invest up to \$500 million over the next decade to protect transmission substations against security threats. The utility will focus on the highest-risk stations to

start, improving protection for critical equipment, expanding the company's spare equipment inventory, and adding more security (such as anti-climb fences, dual perimeters and key card access) at its substations.

[Extreme weather hurting Virginia's small businesses:](#) Hurricane Sandy, the derecho, the polar vortex – these weather events have taken a big toll on area businesses. A poll conducted in February found that 40% of Virginia small businesses have experienced damages of \$5,000-\$25,000 due to extreme weather, nearly 20% had to lay off workers due to extreme weather, and 59% had to close their business for several days, some for up to 30 days. Small Business Majority founder and CEO John Arensmeyer urged policymakers to embrace smart clean energy policies to help mitigate climate change and prompt innovation, which would create new opportunities for small businesses and address the growing problem of extreme weather wrecking havoc on small businesses.

[Going Green? Maybe Not, Virginia:](#) This article is the first in series of reports on WVFT Public Radio examining why the Commonwealth is not a leader in going green. The article points to numerous laws in place in Maryland and many other states across the country that encourage clean energy development but which Virginia has not passed. Renewable portfolio standards, deregulation of electricity markets and community renewable energy policies enable alternative energy purchases, create regulatory and market demand for renewable energy, and expand access to a wider range of participants.

[Fairfax officials hope to delay action on landfill:](#) Fairfax County officials are planning to hold off on deciding whether to approve a controversial landfill application in Lorton and will instead convene a small group to mediate differences between the waste company, EnviroSolutions, and area residents. EnviroSolutions has applied to extend the life of the industrial landfill until 2040, 22 years longer than its scheduled closure date. The company plans to install wind turbines and other green technology in exchange for the extension, but elected officials who initially supported the proposal now oppose it due to the long extension period requested.

Congress & Federal Update

[Obama to order tougher fuel standards for heavy trucks:](#) On February 18, Obama announced that he would direct the Environmental Protection Agency and the Transportation Department to develop fuel-efficiency and greenhouse gas standards for heavy-duty vehicles for post-2018 model years. These standards will build upon the Administration's heavy-duty vehicle standards for model years 2014-18, which the White House estimates will save 530 million barrels of oil and cut greenhouse gas emissions by 270 million metric tons over the vehicles' lifetimes. Heavy-duty vehicles account for about a quarter of on-road greenhouse gas emissions from the transportation sector. The new standards are due by March 2016.

[FERC Lifts Price Cap Through March 31:](#) On February 14 the Federal Energy Regulatory Commission ruled that high-cost gas-fired generators will be able to set PJM market clearing prices above \$1,000/MWh for the remainder of the winter. Extreme price spikes in January and early February, due to a confluence of factors including the "polar vortex" and several power plants being taken offline, cost power suppliers millions in unexpected expenditures and caused some small retail power companies to shut down permanently. PJM, the Regional Transmission Organization (RTO) for this area, requested a waiver of the \$1,000 offer price cap, setting the stage for a contentious stakeholder debate over the long-term fate of the cap. FERC's order (ER14-1145) came over the objections of consumer advocates, state regulators and others, who said allowing the RTO's most inefficient generators to set clearing prices would provide a windfall to the vast majority of generators with costs well below \$1,000 and reduce generators' incentive for efficient operations.

Research Articles and Reports

[ENE Energy Offers Key Reforms to Reduce Carbon Pollution in Northeast United States:](#) On February 3, Environment Northeast (ENE), released a report titled, “EnergyVision: A Pathway to Modern, Sustainable Low Carbon Economic and Environmental Future,” which outlines a strategy for New England states to reduce CO2 emissions by 80 percent. Their recommendations include further integration of electric vehicles, updating regional power grids, increased use of renewable energy and further gains in energy efficiency.

[Research group for U.S. private utilities lays out plan for updated, integrated power grid:](#) The Electric Power Research Institute (EPRI) released a new concept paper arguing that in order to continue to provide affordable and reliable electricity, utilities need to integrate renewables and other advanced technology into every aspect of grid planning, operations and policy. The paper asserts that the value of distributed energy goes beyond the environmental benefits of averting carbon emissions, and can be quite substantial – but only if integrated into the larger power structure.

[Solar Energy and Backup Storage can Benefit Baltimore's Low-Income Neighborhoods and Make Communities More Energy-Resilient:](#) This new report, “Clean Energy for Resilient Communities,” by the Clean Energy Group outlines how Baltimore can use solar power and electricity storage to widely benefit the entire city, including low-income residents, and make the city more resilient in the face of increasingly severe weather challenges.

[GAO: Energy Infrastructure Risks and Adaptation Efforts:](#) The National Research Council (NRC) and the U.S. Global Change Research Program (USGCRP) find that U.S. energy infrastructure is increasingly vulnerable to a range of climate change impacts – particularly in areas prone to severe weather and water shortages. This report examines: 1) what is known about potential impacts of climate change on U.S. energy infrastructure; 2) measures that can reduce climate-related risks and adapt energy infrastructure to climate change; and 3) the role of the federal government in hardening and improving the resilience of energy infrastructure.

[Mayors call on Congress to revive stimulus efficiency program:](#) [A report](#) released February 27 by the US Conference of Mayors says that ARRA funds for energy efficiency and conservation given to cities, counties and tribal governments after 2009 were a huge success. The report notes that local partnerships with the federal government on efficiency and renewable energy projects plummeted after the Energy Efficiency and Conservation Block Grant (EECBG) program was not renewed. The report argues that revenue sharing and block-grants are a very effective model to support energy investments and urges the federal government to renew these or similar programs.