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Federal

White House Agrees to Adjust the Social Cost of Carbon Estimate

In May of this year, the White House quietly modified the cost impact estimates for carbon dioxide emissions from \$21 to \$38 a metric ton. The provision was included within a rule concerning efficiency standards for microwaves. The practical impact of this calculation is that any government action that reduces emissions (i.e. efficient lighting goals or CAFÉ fuel standards) will score as more valuable in a cost-benefit analysis.

Lawmakers from both sides of the aisle expressed concerns with the policy change and have held a handful of hearings over the past several months. In response to the political outcry, the Office of Management and Budget announced last week that it would revise the figure down to \$37 per ton. Additionally, the Office of Information and Regulatory Affairs will soon be taking comments on the [technical changes](#).

For more information on the social cost of carbon, please click [here](#).

Lawmakers Eye Expiring Energy Tax Provisions

With only 15 legislative days prior to the end of the calendar year, Congress has yet to actively consider a handful of expiring tax provisions, several of which impact the energy industry. The major obstacle has been that the chairs of the House and Senate tax writing committees remain determined to address comprehensive tax reform. Once members begin discussing extensions of individual tax provisions, it removes a good deal of the pressure to proceed with tax reform this year.

House Majority Whip Steny Hoyer (D-MD) is working to garner attention on a number of expiring policies, including tax credits. In a recent memo, Hoyer issued a direct warning to Speaker Boehner to take up these issues immediately. The memo can be read [here](#).

Although the pressure from certain members and many outside groups is significant, Congress is unlikely to extend most – if not all – of these expiring tax provisions prior to January 1. They are likely, however, to retroactively enact many of the credits sometime in 2014.

President Obama Issues Executive Order on Climate Resiliency

On November 1, President Obama signed an executive order (EO) that creates a new climate task force of seven governors, fourteen mayors and several local leaders. The task force is charged with advising the administration on how to respond to future extreme weather events, such as Superstorm Sandy. Within one year, the group is tasked with providing recommendations on how the federal government can:

- Modernize Federal programs to support climate-related investments;
- Manage lands and waters for climate preparedness and resilience;
- Provide information, data and tools for climate change preparedness and resilience; and
- Plan for climate change related risk.

Although the task force does not include representation from New York, Hoboken, New Jersey Mayor Dawn Zimmer will be a member. A full list of participating Task Force members can be found by [clicking here](#).

Mass. Senator Introduces Renewable and Efficiency Portfolio Standards Legislation

Senator Ed Markey (D-MA) has introduced combined renewable electricity standard (RES) and energy efficiency resource standard (EERS) legislation which includes a 25% RES mandate for electric utilities by 2025, along with 15% and 10% EERS mandate for electricity and gas utilities, respectively, by 2025.

A copy of the legislation can be found [here](#). A summary of the legislation can be found [here](#).

House Committee Holds Cyber Response Hearing

The House Homeland Security Subcommittees on Emergency Preparedness, Response, and Communications (EPRC) and Cybersecurity, Infrastructure Protection and Security Technologies (CIPST) held a joint hearing on October 30 on “Cyber Incident Response: Bridging the Gap between Cybersecurity and Emergency Management”.

Witnesses included Roberta Stempfley (Department of Homeland Security), Charley English (National Emergency Management Association), Craig Orgeron (National Association of State Chief Information

Officers), Mike Sena (National Fusion Center Association), and Paul Molitor (National Electrical Manufacturers Association).

While not the primary subject of the hearing, Reps. Donald Payne (D-NJ) and Yvette Clarke (D-NY) highlighted the “SMART Grid Study Act of 2013”, a bill to provide for a National Research Council study of the “future resilience and reliability of the Nation’s electric power transmission and distribution system.” Paul Molitor, on behalf of Electrical Manufacturers, endorsed the bill in his testimony and again during questions. Additionally, every other non-government witness voiced general support for the bill with a focus on Superstorm Sandy and how SmartGrid technology deployment can improve electric utility preparation, situational awareness, and response.

Text of the SMART Grid Act can be found [here](#).

Link to archived hearing webcast and witness testimony can be found [here](#).

State

NYS Assembly Corporations Chair to Seek Re-Regulation

Assembly Corporations Committee Chairman Jim Brennan (D-BK) has indicated that he will introduce legislation this upcoming session to re-regulate New York’s electric generation industry. According to a study conducted by Chairman Brennan, electricity prices charged by 13 privately-owned “deregulated” power plants generating about 40% of the State’s electricity in 2010 were at least \$1.1 billion higher than if the plants were still regulated by the New York State Public Service Commission. About 80% of the overcharges, or \$820 million, were in the New York City-Westchester electricity market and represented about 10% of the price consumers paid in that area.

“Standard cost-based regulation of price of electricity is the answer to this profiteering,” said Chairman Brennan.

Details of the legislation have not yet been made available.

A copy of Chairman Brennan’s press release can be found [here](#). Copies of his downstate findings can be found [here](#) and his upstate findings can be found [here](#).

NYS Assembly to Hold 2100 Commission Hearing

The New York State Assembly will hold a hearing on November 26th to examine the New York State Multi-Hazard Mitigation Plan, the recommendations contained in the NYS2100 Commission report, funding received by the State, and any mitigation or disaster preparedness projects currently underway. After Hurricane Sandy, Governor Cuomo established the NYS2100 Commission to provide recommendations on how to improve the resilience of New York’s infrastructure. The Commission reviewed New York’s infrastructure vulnerabilities and developed resiliency recommendations in five main areas: energy, transportation, land use, insurance, and infrastructure finance.

The following recommendations were made specific to the energy sector:

- Strengthen and secure critical infrastructure by selectively undergrounding key transmission and distribution lines; relocating key fuel-related infrastructure to higher elevations; waterproofing and improving pump-out ability of steam tunnels; and creating a long-term capital stock of critical utility equipment.

- Accelerating the modernization of the electrical system to be more flexible, dynamic and responsive by incorporating distributed generation, microgrids, and plug-in electric vehicles.
- Design rate structures and create incentives to encourage distributed generation and smart grid investments.
- Diversify fuel supply, lower the RGGI cap, reduce demand for energy, and create redundancies.

The complete NYS2100 Commission report can be found [here](#).

NY Receives U.S. Department of Energy Award to Support Solar Initiatives

New York State has won a \$1.4 million award through the U.S. Department of Energy (DOE) SunShot Initiative Rooftop Solar Challenge II to support the NYSolar Smart project. NYSolar Smart was launched as part of the Governor's NY-Sun Initiative to streamline the solar installation process and lower the cost of solar using financing mechanisms and information technology (IT) solutions.

The U.S. Department of Energy SunShot Initiative seeks to make solar energy cost-competitive with traditional energy sources before the end of the decade. Through SunShot, DOE supports efforts by private companies, academia, and national laboratories to drive down the cost of solar electricity to \$0.06 per kilowatt-hour.

NYSolar Smart is a collaborative effort among CUNY; New York Power Authority (NYPA), the New York State Energy Research and Development Authority (NYSERDA); 16 cities, towns and villages from across New York; and more than 30 organizations representing utility companies, installers, government agencies and industry leaders. Most of these entities will provide matching funds for a total of \$2.4 million.

With this funding, the NYSolar Smart Program will create a toolkit of policies, programs and resources to reduce the time and cost of installing solar photovoltaic (PV) systems. The tools will include virtual net-metering guidelines for master-metered buildings, group purchasing programs, and model zoning ordinances. IT tools will be developed relating to web-accessible permitting, solar maps, market analytics, and a pilot for a customizable online customer acquisition system.

In addition, working groups will work on the following topics:

- Permitting and interconnection
- Net metering and interconnection standards
- Planning and zoning
- Financial options

Additional information regarding the NYSolar Smart Program can be found [here](#) and additional information regarding DOE's SunShot Initiative can be found [here](#).

Comptroller Releases Quick 'Start Budget' Analysis

State Comptroller Tom DiNapoli released his annual "Quick Start" report which projects that the State's tax revenues will grow by 2.5% to \$90.1 billion in state fiscal year 2014-15.

“Key measures of the national economy are expected to strengthen next year, including GDP, employment and consumer spending, but more dysfunction in Washington could derail some of this progress,” DiNapoli said. “Overall economic growth in New York State is projected to remain modest in 2014, and while Wall Street is expected to remain profitable, it is still adapting to a changing regulatory and economic environment. Progress has been made over the last three budgets, however, policy makers will continue to be challenged to align recurring spending and revenue.”

A copy of the report can be found [here](#).

Division of Budget Releases Mid-Year Financial Plan Update

The state Division of Budget released a quarterly state spending plan update. According to the update, the State is expected to have a \$1.74 billion deficit for the upcoming 2014-15 fiscal year, and budget gaps of \$2.9 billion for the 2015-16 and 2016-17 fiscal years. The update further notes that the state could have a budget surplus in the future if it continues to hold to its self-imposed 2% cap on spending.

A copy of the update can be found [here](#).

New Academic Partnership Established Focusing on Storm Resilience and Emergency Preparedness

A new think tank has been created to serve as a hub of research and education for emergency planning, extreme weather, and natural disasters. The New York State Resiliency Institute for Storms & Emergencies (NYS RISE) is led by New York University (NYU) and Stony Brook University with the assistance of Columbia University, Cornell University, City University of New York (CUNY), and Brookhaven National Laboratory.

NYS RISE will coordinate government officials, national experts, and emergency response leaders to assist in the development of plans that can be used to better protect communities against extreme weather events. Projects will include the development of a rapid response plan; the creation of proposals to further harden New York’s infrastructure; identification of areas vulnerable to extreme weather events; and long-term planning for storm risk.

Additional information can be found [here](#) in the Governor’s press release.

NYS Assembly Data Collection Hearing Rescheduled

The New York State Assembly will hold a hearing to examine company privacy policies and data collection efforts, as well as the current state and federal laws relating to the distribution and use of personal consumer data by businesses, including digital data brokers, and the state.

The hearing will also explore what resources are or can be made available to consumers to obtain access to their own personal information used by companies or data brokers, and to control the use of their information.

The hearing was originally scheduled for last month but has been rescheduled to November 22nd.

City

Mayor Bloomberg Releases Latest Updates to Digital Roadmap

Mayor Michael R. Bloomberg, Commissioner Katherine L. Oliver and Chief Digital Officer Rachel Haot have released [New York City's Digital Leadership: 2013 Roadmap](#), an update to the City's plan for realizing New York City's digital potential through initiatives in infrastructure, education, open data, engagement and industry.

The Plan includes ideas and recommendations that look to the future of New York City's position as a global digital leader, including how the city can work with local companies to increase the number of women and minorities in the tech sector. New ideas include the deployment of more Wi-Fi hotspots in locations such as payphones; implementing infrastructure sensors; continuing digital education and professional development for adults; updates to the city's 311 functionality; a personalized online dashboard of city services and the expansion of New York City's technology internship program to further increase diversity in the sector.

Highlights since the last plan include:

- Enabling 300,000 low-income residents to access the Internet and adopt service since the introduction of the first Digital Roadmap
- Launching over 40 digital learning programs that have served over one million New Yorkers to date, including Cornell Tech NYC on Roosevelt Island
- Expanding the NYC OpenData platform from 350 public data sets offered at launch to over 2,000
- Launching a [NYC.gov](#) website and tripling the City's social media audience
- Growing the City's technology sector to over 1,000 Made in NY technology companies

The entire report can be read here: [New York City's Digital Leadership: 2013 Roadmap](#)

Energy Upgrades and Storm-Proofing Changes Made to MTA's Primary Office Tower

The Metropolitan Transportation Authority (MTA) is making its office building in Lower Manhattan more energy efficiency and resilient against extreme storms. The changes at 2 Broadway are intended to better adapt the building to a changing climate. The MTA will consolidate its headquarters' personnel there next year. The building was also recently Energy Star Certified by the U.S. Environmental Protection Agency (EPA).

The energy-savings measures include:

- Participation in Con Edison's Demand Response Programs
- Steam trap monitoring that uses wireless devices to identify problems immediately, reducing maintenance labor and material costs
- Installation of variable speed drives on main heating, ventilation, and air conditioning equipment to lower start-up energy demand
- Installation of reflectors in fluorescent fixtures to reduce wattage and increase illumination
- Installation of occupancy sensors to control room lighting
- Installation of LED lighting fixtures in elevator cabs and basement areas
- Installation of sub-meters to effectively read electrical usage

Storm upgrades will include the installation of flood barriers at the building's entrances, relocation of water pumps and emergency electrical systems to higher elevations, and the construction of a 7-foot-wall in the basement to contain any floodwaters.

Additional information about the upgrades can be found [here](#) in the Governor's press release.

NYC Council Passes Building Code Legislation

The NYC Council, in continuing response to the new challenges brought about by climate change, passed additional building code legislation. The goal of the legislation is to strengthen the city's infrastructure and provide additional guidelines for future construction projects. The bills now go to Mayor Bloomberg for his signature.

[Int. 0983](#) – The bill amends the building code to set requirements for flood-resistant construction at health facilities.

[Int. 0990](#) - The bill makes clear that New York City building code requirements should be based on current Federal Emergency Management Agency (FEMA) flood maps and also establishes that in the event FEMA flood maps are revised or new requirements are added, the city building code requirements should reflect these modifications.

[Int. 1089](#) - The bill establishes the allowable requirements of fuel-oil storage and cable installation in buildings that exist in designated moderate and special flood hazard areas which have to be elevated.

[Int. 1096](#) - The bill establishes a new defined type of flood hazard zone and sets the construction requirements of buildings within this new defined flood hazard zone. The bill also establishes regulations for placement of fire protections systems within buildings constructed in the new flood zone.

[Int. 1099](#) - The bill establishes new minimum wind born debris and wind driven rain standards that exterior fixtures (windows, doors, louvers) or any type of exterior systems (air conditioners, plumbing fixtures, antennas)in existing buildings must be able to withstand.