



Government Issues and News of the Week

Federal

[Efficiency Bill Reintroduced](#)

[Cyber Information Sharing Bill Passes the House](#)

[Congress Looks to MLPs to Boost Renewables](#)

[Nuclear Waste Legislation Drafted](#)

State

[Solar Proposals Begin to Advance](#)

[Legislature Passes Earth Day Initiatives](#)

[Public Service Commission Releases "Scorecards" to Measure Utility Performance](#)

[Legislature Passes Bill Extending LNG Siting and Transportation Moratorium](#)

Federal

Efficiency Bill Reintroduced

On April 18th, Senators Shaheen (D-NH) and Portman (R-OH) reintroduced their energy efficiency bill, the [Energy Savings and Industrial Competitiveness Act](#). The bill is substantially similar to S.1000, which was debated in the previous Congress.

The legislation provides a deficit-neutral framework designed to promote the transition to a more energy efficient economy. The bill uses a variety of tools to reduce barriers for private sector energy users with the goal of driving adoption of off-the-shelf efficiency technologies among the largest energy consumers.

Provisions of the bill that affect the utility industry include a building codes section and references to the federal government's ability to use alternative fuel vehicles and install fueling infrastructure.

The building codes section authorizes the Department of Energy (DOE) to "encourage and support" states and local governments to adopt building energy codes that meet or exceed the model building energy or achieve equivalent or greater energy savings. The section also provides a framework for state and local governments to certify their efforts, should they undertake them and to develop codes that meet or exceed the model building codes. This section is not mandatory and gives DOE no new authority or mandate. The states are not required to revise their codes under this section. The building codes section merely provides for funding incentives and certification if they do so.

The Senate has begun hearings on the bill and a House counterpart measure will be introduced in the coming days by Representatives Peter Welch (D-VT) and David McKinley (R-WV).

Cyber Information Sharing Bill Passes the House

On April 18th, the House of Representatives passed the updated Cyber Intelligence Sharing and Protection Act (CISPA). CISPA provides the needed legal certainty that threat and vulnerability information voluntarily shared with the government would be protected against the risk of frivolous lawsuits. It also ensures that information shared would be exempt from public disclosure and could not be used by officials to regulate other activities. The legislation also includes an exemption from antitrust laws, which limit the exchange of information between private entities, in order to help prevent, investigate, and mitigate threats to cybersecurity.

The mechanics of the bill include the following:

- Requires the Office of the Director of National Intelligence (ODNI) to establish procedures for voluntary information sharing about cybersecurity threats with the private sector.
- Requires ODNI to establish procedures to protect privacy/civil liberties relative the information shared in the public-private cybersecurity information sharing regime.
- Within the cybersecurity information sharing mechanism, government intelligence can only be shared with certified entities or those with security clearances.
- Prohibits the use and disclosure of sensitive personal information.
- Requires the Department of Homeland Security to receive cyber threat information from the private sector and the Justice Department to receive information on cyber crimes.

In spite of a White House veto-threat, CISPA passed by a bi-partisan **288 to 127** margin. Many House members in Con Edison's service territory supported this important legislation. They include Representatives Yvette Clarke, Michael Grimm, Steve Israel, Hakeem Jeffries, Sean Maloney, Gregory Meeks, Grace Meng and Charlie Rangel.

Bill text can be found [here](#).

Congress Looks to MLPs to Boost Renewables

On April 24th, a bipartisan coalition of lawmakers unveiled legislation intended to expand financing options for renewable energy projects by using master limited partnerships (MLP).

The initiative is led by Senators Chris Coons (D-DE) and Jerry Moran (R-KS) and Representatives Ted Poe (R-TX) and Mike Thompson (D-CA) and would expand MLP eligibility to wind, solar, biofuel and other renewable projects. MLPs are currently limited to the fossil fuel industry.

MLPs are business structures that are taxed like partnerships but have shares traded like corporate stocks. This mechanism provides for lower capital costs and hopefully greater investment. Additional sponsors include Senate Energy and Natural Resources ranking member Lisa Murkowski (R-AK), Senator Debbie Stabenow (D-MI) and Representatives Peter Welch (D-VT), Cory Gardner (R-CO) and Chris Gibson (R-NY).

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

Nuclear Waste Legislation Drafted

A bi-partisan coalition of Senators has begun circulating a discussion draft of comprehensive nuclear waste management legislation. The draft bill would establish a new federal agency to manage waste and set-up a consent-based process for siting storage and disposal facilities. The group includes Senators Dianne Feinstein (D-CA), Lamar Alexander (R-TN), Ron Wyden (D-OR), and Lisa Murkowski (R-AK).

The new agency would build a pilot facility to store spent fuel from commercial nuclear power plants and establish a new Working Capital Fund in Treasury to collect about \$765m in annual fees from utilities, which would be available to the administration without working through the Congressional appropriations process. The proposal would also link storage facilities to progress on a permanent repository – if substantial progress on a permanent repository is being made while constructing or operating the interim storage facility, shipments of waste to the interim facility would stop.

Details of the proposed legislation can be found [here](#).

State

Solar Proposals Begin to Advance

Advancing a solar agenda in Albany has been a top priority of the Environmental Advocates for several years. Previous proposals required utilities to enter into long-term contracts for the purchase of solar commodity or purchase solar renewable energy credits (SREC) at a cost to customers of as much as \$22 billion. In 2012, Governor Cuomo announced the creation of the NY Sun program which uses existing Renewable Portfolio Standard (RPS) dollars to fund solar deployment. NY Sun has been widely viewed as a more cost conscience alternative to the SREC proposals.

In honor of Earth Day, the New York State Senate passed a bill ([S.2522](#)) which would fund solar deployment in New York State at a rate of \$146million annually through 2023 and establish tax credits for solar and battery storage manufacturing. This bill is being touted by its sponsor, Senate Energy Committee Chair George Maziarz (R-Niagara), as a codification of the NY Sun program.

“By adopting this bill, New York will create jobs, protect the environment and become a national leader in solar energy. In fact, this is the first time a major solar incentive program has passed in either the Senate or Assembly in New York. This bill does so much for the current and future of energy alternatives in this state...” Maziarz said.

Concurrent with the Senate’s passage of S.2522, Governor Cuomo announced his own legislation which is intended to expand and codify the NY Sun program. The “NY Sun Act” would fund solar at a rate of \$150 million annually over the next ten years. It would also require the New York State Energy Development Authority (NYSERDA) and the Public Service Commission (PSC) to design cost-effective programs that take into consideration a number of features including: attracting a diversity of project sizes; taking into account economic benefits to New York State (i.e. encouraging solar installers to support in-State suppliers); and focusing on areas of the electric grid that could benefit the most from distributed solar generation (e.g., areas where improvements to local transmission and distribution systems could be avoided or delayed by solar installations). Unlike the Senate bill, the NY Sun Act does not contain tax credits nor does it include the Long Island Power Authority (LIPA) in the \$150million figure.

“Program certainty is critical to developers in attracting significant private sector investment in solar photovoltaic systems...By funding NY-Sun for the next decade, the state is enabling the sustainable development of a robust solar power industry in New York, creating well-paying skilled jobs, improving the reliability of the electric grid and reducing air pollution,” Cuomo said.

More information regarding the NY Sun Act can be found in the Governor’s Earth Day [press release](#).

Legislature Passes Earth Day Initiatives

The New York State Senate and Assembly passed several environmentally-friendly initiatives in recognition of Earth Day.

In addition to the solar bill referenced above, the Senate passed several bills aimed at protecting ocean species, as well as legislation intended to reduce the amount of mercury that ends up in homes and the waste stream. [S.1600](#) details the amount of mercury to be allowed in fluorescent lamps and normal-life and long-life bulbs. According to the bill’s sponsor, these light bulbs sometimes contain significant amounts of mercury, which can be released and become an environmental hazard when it enters the waste stream.

More information regarding these initiatives can be found in the Senate’s Earth Day [press release](#).

The Assembly passed an Earth Day package intended to ensure safer drinking water and cleaner air; protect against environmental hazards and harmful chemicals; support environmentally friendly products and practices; and provide ongoing support for environmental justice.

The package included: [A.6558](#) which requires state monies and permits to include consideration of the effects of climate change and extreme weather events; [A.3569](#) which establishes a permanent environmental justice advisory group and an interagency coordinating council; and [A.6327](#) which requires the Department of Environmental Conservation to promulgate rules and regulations establishing limits on greenhouse gas emissions.

More information regarding these initiatives can be found in the Assembly’s Earth Day [press release](#).

Public Service Commission Releases “Scorecards” to Measure Utility Performance

The Public Service Commission (PSC) released a proposed “scorecard” as a tool for the quantitative assessment of electric utility performance in restoring power after a significant outage (outage lasting three days or more). The proposed scorecard addresses the advance preparation of each utility prior to a significant outage; the ability of each company to restore service after a significant outage; and each company’s communication during a significant outage. The proposed scorecard is now subject to public review and comment.

According to the Governor’s press release, the proposed scorecard builds on the work of the Moreland Commission on Utility Storm Preparation and Response, the NYS Ready commission and the NYS Respond commission, convened by the Governor after Superstorm Sandy to ensure that the State’s critical systems and services are prepared for future natural disasters and other emergencies.

“A utility scorecard will help establish standards to promote effective emergency preparation and response by utilities in the restoration of power to their communities... My administration will continue to work aggressively to enact reforms that will overhaul and improve New York State’s emergency preparedness and response capabilities, as well as improve the strength and resilience of the state’s infrastructure to better withstand major weather incidents,” said Governor Cuomo.

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

Legislature Passes Bill Extending LNG Siting and Transportation Moratorium

This week, the Legislature passed [A.216](#) which extends a moratorium on the licensing of liquefied natural gas (LNG) and petroleum facilities in New York City, as well as a moratorium on the certification of routes to transport LNG or petroleum in New York City. The moratorium is extended through April 2015.

The sponsor argues that incidents such as the 1973 explosion on Staten Island, in which 40 persons lost their lives, underline the potential for tragedy involved in the operation of such storage facilities.

Therefore, the sponsor argues, it is necessary to exercise extreme caution in dealing with proposals for activating LNG facilities because of the hazards inherent in the storage of LNG in densely populated areas.