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APPROPRIATIONS House passes \$34B energy-water spending bill

Nick Juliano, E&E reporter Published: Friday, July 11, 2014

The House yesterday passed its \$34 billion energy and water spending plan after two days of marathon debate that saw votes to maintain funding for the Department of Energy's reinvigorated loan guarantee program, continue to block enforcement of a light-bulb efficiency regulation and undermine parts of President Obama's climate agenda.

The fiscal 2015 appropriations bill for DOE, the Army Corps of Engineers and other agencies, <u>H.R.</u> <u>4923</u>, passed 253-170. The bill would give the Army Corps about \$5.5 billion and would provide \$10.3 billion for DOE energy and science programs, with boosts to fossil and nuclear accounts and cuts to clean energy spending compared to the president's budget request (<u>Greenwire</u>, June 18).

What happens now remains to be seen. It is a virtual certainty that the House bill will not be taken up by the Senate, which last month abandoned plans to pursue its own energy and water spending bill. Fiscal 2015 begins Oct. 1, meaning Congress likely will have to enact at least a short-term continuing resolution by then or risk another government shutdown a month before the midterm elections.

"While the Senate has failed to pass any appropriations bills to date, this is now the sixth such measure to make its way through the House," Speaker John Boehner (R-Ohio) said in a statement following the vote. "We're doing our job and advancing solutions: helping small businesses grow and create jobs, lowering energy costs, and expanding opportunity for everyone."

Debate over the spending bill featured consideration of dozens of amendments, ranging from the politically potent to the parochially prized. Lawmakers forced votes on hot-button topics such as climate change and clean energy spending, and demonstrated a willingness to deliver for constituents with narrower measures shifting money to various home-state priorities. DOE's broader loan guarantee program counted on bipartisan support to successfully dodge an effort to defund it.

House Appropriations Chairman Hal Rogers (R-Ky.) made his only appearance in yesterday's debate to defend DOE's loan program office from an amendment offered by **Rep. Steve Stockman (R-Texas)** to prevent any money from being spent to administer the loan program. The chairman said he "strongly" opposed the amendment, which he suggested would do more harm than good. "The funds my colleague seeks to remove are administrative costs the Department of Energy needs to conduct oversight of its existing loan portfolio," Rogers noted, going on to defend some of the projects supported by the program itself. For example, the recently finalized \$6.5 billion loan guarantee to support Southern Co.'s construction of two new nuclear reactors at Plant Vogtle in Georgia, Rogers said, "will create thousands of jobs."

Stockman's amendment failed 140-282.

A second Stockman amendment fared better, though it will have almost no effect. It would prevent DOE from spending any money to block an offshore drilling permit -- which Democrats noted the department has no authority over. The amendment passed 218-204.

In one notable development last night, the House voted to block a \$150 million loan guarantee for Cape Wind with nary a peep from defenders of the Massachusetts project that hopes to become the nation's first offshore wind farm. DOE last week announced a conditional commitment, but final arrangements between the government and Cape Wind Associates LLC still need to be worked out (<u>Greenwire</u>, July 1).

Rep. Randy Weber (R-Texas), who sponsored the amendment to the bill, delivered a brief recitation of criticisms faced by the project, which has been in development for over a decade, complaining that it would deploy turbines and other infrastructure built in Europe. The speech was greeted by crickets from the Democratic side of the aisle, with no member standing up to defend Cape Wind before the amendment was added to the bill via a voice vote.

Still, the amendment seems to be a largely symbolic measure. Even if the rider made it into law, the earliest it could tie DOE's hands would be the Oct. 1 beginning of the next fiscal year; if the loan guarantee is finalized before then, the amendment would appear to have little effect. And the Senate would not be expected to go along with the proposal in any event.

Rep. Mike Simpson (R-Idaho), who chairs the Energy and Water Development Appropriations Subcommittee, acknowledged that it might not have any effect and was designed to be narrowly targeted.

"I don't know that you're really going to have an effect here," Simpson told E&E Daily last night. "And we told them that if it caused problems in the way it was written -- because we wanted to make sure that we weren't affecting anything else -- and if it had problems, we would between now and conference see what it did, essentially."

A Cape Wind spokesman dismissed the rider as a partisan stunt.

"It's sad and unfortunate that any House Republican who espouses support for an all of the above energy policy would even try to block clean domestic offshore wind from being part of our energy mix," Mark Rodgers, Cape Wind's communications director, said in an email. "This loan program was enacted by a Republican majority Congress and President George W. Bush in 2005 and was intended to assist financing of innovative energy projects that reduce greenhouse gas emissions, it makes perfect sense that America's first offshore wind farm was selected for this program."

Rep. Michael Burgess (R-Texas) succeeded in reattaching his perennial "light bulb rider," which has been one of the few significant policy changes Republicans have succeeded in getting signed into appropriations laws since they took control of the House. The amendment, which passed 226-193, would prevent DOE from enforcing efficiency standards enacted as part of the 2007 energy law. Somewhat ironically, Burgess is an honorary board member at the Alliance to Save Energy, a leading efficiency advocacy group.

Among other amendments that passed last night were Rep. Doug LaMalfa's (R-Calif.) bid to reaffirm exemptions for certain agricultural activities under the Clean Water Act, which passed 239-182, and Rep. Paul Gosar's (R-Ariz.) amendment to block funding for DOE climate modeling efforts, which was adopted 226-194.

A couple of other climate-related amendments passed on voice votes after the House earlier yesterday afternoon supported amendments aimed at the administration's social-cost-of-carbon calculation and potential consideration of life-cycle greenhouse gas emissions in evaluating liquefied natural gas exports (<u>E&ENews PM</u>, July 10).

The House voted down, 150-271, an amendment from Rep. Marsha Blackburn (R-Tenn.) to cut the bill by 1 percent across the board. Rep. Richard Hudson (R-N.C.) sought an approximately 7.5 percent cut to several nuclear weapons related programs in the bill, but his amendment failed 131-289. A Democratic motion to recommit the entire bill, from Rep. Bill Enyard (D-Ill.), failed 188-231.