



27 January 2016

Dear Senators:

The Senate will soon begin consideration of S.2012, the Energy Policy Modernization Act of 2015. NRDC currently does not oppose the bill, as it would enable modest but important steps to help the U.S. transition to cleaner sources of energy. Unfortunately, the bill fails to do enough to mitigate the threat of climate change and contains some provisions that weaken protections for our land, air, water and public health.

As consideration of S.2012 begins, we hope you will improve the bill by remedying problematic sections and adding new provisions to accelerate the transition to a clean energy future and address climate change. We urge the Senate not to further expand development of dirty fuels or weaken environmental and public health protections. Adding such provisions would prompt NRDC to oppose the bill's passage.

Important Steps

S. 2012 includes important measures designed to facilitate the energy sector's transition to a cleaner future. While each of these measures themselves is relatively modest, taken as a whole, they would represent real progress. Chief among these provisions are those that were part of the bipartisan Energy Savings and Industrial Competitiveness Act (also known as Portman-Shaheen) and other efficiency measures--such as the smart buildings initiative, reauthorization of the Weatherization Assistance Program and codification of the Executive Order extending goals for reducing energy consumption in federal facilities through 2025. These provisions would increase energy efficiency in buildings, industry and the federal government, reducing pollution while saving taxpayer dollars and promoting job growth. More energy efficiency means burning less fossil fuel, resulting in less air pollution, fewer devastated landscapes, and cleaner water.

The bill also makes important new investments to update our electricity grid to prepare for the challenges of integrating next generation technologies; invests in advanced manufacturing and developing the energy workforce of the future; increases support for promising forms of renewable energy like marine

hydrokinetic and geothermal; commits more federal support for energy research and development, including R&D funded by ARPA-E and the DOE Office of Science; and expands research into critical areas like energy storage and the water/energy nexus.

S.2012 also promises to further protect America's increasingly endangered landscapes and public lands by permanently reauthorizing the Land and Water Conservation Fund – one of the nation's best tools for protecting our national heritage – and creates a new National Park Maintenance and Revitalization Fund to address the maintenance backlog throughout the National Park System.

Problematic Provisions

Despite improvements made to the bill in committee and in the recently introduced Amendment in the Nature of a Substitute, several provisions in the bill need to be fixed to avoid undermining important protections and standards. One prominent example is **Sec. 1103**, which would delay the raising of DOE's minimum efficiency standards for residential non-weatherized gas furnaces and mobile home furnaces. These standards could deliver cumulative savings up to \$19 billion over 30 years beginning in 2021. Congress should be working to maximize the savings to customers, not delaying them.

Additionally there are problematic sections that undermine long-standing and popular public protections. For example, **Sec. 3305** would require federal land management agencies to develop expedited review processes for new mining permits. This is a misguided approach that will sacrifice protection of public resources and our environment. **Sec. 2201** is another example of this misguided approach, as it requires that LNG terminal approvals be decided within 45 days of the filing of the environmental review. Allowing time for proper environmental, administrative and judicial review of projects is important to protecting the public's ability to have input on federal actions that impact their communities. **Sec. 3101**, which expands methane hydrates research, is another source of serious concern, as it would authorize 175 million dollars for research that, unfortunately, includes seismic exploration in the Atlantic and Gulf of Mexico. This seemingly innocent provision would subsidize an activity that has been shown to impact marine life and fisheries over large areas of ocean and has proven highly controversial off the southeast U.S. and elsewhere.

Amendments

We urge the Senate not only to remedy the shortcomings detailed above, but to improve the bill so it more aggressively addresses the challenge of climate change. Energy use in the U.S. accounts for 84% of the nation's carbon pollution, and this

bill should include more robust solutions to that problem. Possible approaches range from incorporating energy costs into mortgage rates, to improving how our public lands are used for renewable energy deployment, to comprehensive solutions such as an Energy Efficiency Resource Standard.

Just as importantly, the Senate should reject amendments that would make it harder to transition to a clean energy and low carbon future or that undermine important public safeguards. In prior years, the Senate has too often voted to attach poison pill amendments, making it impossible to move energy legislation.

Conclusion

This bill reflects some admirable bipartisan cooperation on energy issues. However, seven in 10 Americans see climate change as a serious problem facing the country -- enough to fuel broad support for much more aggressive federal efforts to limit greenhouse gas emissions. We urge Senators to improve the bill on the floor so that it becomes a more effective approach to address our nation's energy and environmental challenges.

Sincerely,

Scott Slesinger
Legislative Director