

May Newsletter

Action Items

EPSC Meeting: The next EPSC meeting will be held in conjunction with the Interstate Oil & Gas Compact Commission's (IOGCC) [2013 Midyear Meeting](#) which is in Point Clear, AL from May 19-21. The EPSC meeting will be on **Sunday, May 19, from 10am-5pm.**

The tentative agenda includes:

10:00am	Executive Committee Meeting and Update
10:15am	Acknowledgement of New Members/Roll Call of States Compare & share energy legislation that states have passed or are considering this session
12:00pm	Working Lunch – Industry update
1:30pm	Break
1:45pm	Federal legislative overview
3:00pm	Continued collaboration with the Western Caucus
4:30pm	Recruiting
4:45pm	Wrap up and discussion of next meeting
5:00pm	Adjourn
6:00pm	IOGCC Welcome Reception

For those attending, please provide copies of legislation your states have passed or have considered this session that can be discussed during the meeting. Also, we will be discussing pressing issues affecting domestic energy production in the states and would request that each participant come prepared to discuss what they view as the top four issues impacting energy production.

EPSC Chairman Rep. Roger Barrus has also agreed to represent EPSC during the Public Lands Committee Meeting. **Please encourage fellow elected officials to join us in Alabama.**

RSVP to BOllison@consumerenergyalliance.org if you plan on attending.

Federal Mineral Royalties: The Department of Interior's Office of Natural Resources Revenue [notified states](#) that they would be withholding nearly \$110 million in guaranteed mineral royalties to the states, as a result of "the sequestration." Among the states most impacted by the decision are: Wyoming (\$53 million), New Mexico (\$26 million), Colorado (\$8.4 million) and California (\$5.5 million). The EPSC Executive Committee released the following [statement](#) and sent letters to the [Senate Energy & Natural Resources Committee](#), the [House Energy & Commerce Committee](#), the [House Appropriations Committee](#) and the [Senate Appropriations Committee](#) expressing opposition to this decision. EPSC is working with Congressional staff on legislation that will prohibit further reductions in state mineral royalties as a result of actions similar to sequestration. EPSC encourages elected officials to explore all options to restore the funding levels to their guaranteed level. EPSC will continue to monitor this and will provide updates. Several [media organizations](#) have also picked up on the story and the EPSC opposition letters.

Policy Initiatives

Attorneys General letter to EPA: State Attorneys General representing twelve states sent a [letter to the EPA](#) regarding potential EPA settlement negotiations with seven northeastern states regarding the regulation of methane emissions. The Attorneys General are worried that the seven Northeastern States, New York, Connecticut, Delaware, Maryland, Rhode Island, Vermont and Massachusetts, may file suit under section 304 of the Clean Air Act for EPA's decision not to regulate methane emissions from new and existing oil and natural gas drilling, production and processing facilities under the New Source Performance Standards Program. The letter states that the notice of intent to file suit, "admits that methane emissions from oil and gas facilities are

adequately controlled by including an EPA statement that many of the (over 100) methane control technologies and practices identified by the joint EPA and industry Natural Gas STAR program have been implemented by industry.” The states signing the letter were: Alabama, Arizona, Indiana, Kansas, Montana, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Texas, West Virginia and Wyoming.

OCS Governors Coalition requests additional offshore drilling

Governor Rick Perry (TX), Governor Sean Parnell (AK), Governor Robert Bentley (AL), Governor Phil Bryant (MS), Governor Nikki Haley (SC), Governor Pat McCrory (NC) and representatives of Governor Bobby Jindal (LA) and Governor Robert McDonnell participated in a [Consumer Energy Alliance](#) hosted the [Outer Continental Shelf Governors Coalition](#) for a panel discussion during the Offshore Technology Conference in Houston. The Governors supported [increased offshore drilling](#).

New Oil Spill Commission Assessment of Preventative Actions: The former members of the Oil Spill Commission convened after the Macondo spill released an assessment of actions taken since the spill occurred three years ago. The assessment praises work by federal agencies and the industry to adopt new technologies and practices, but faults Congress for failure to act on a number of the recommendations.

USGS Releases Study on Sage-Grouse Habitat: Scientists [compiled and analyzed information](#) about the environment surrounding 3,000 active breeding areas, known as leks, within a 355,000 square-mile portion of the sage-grouse’s historic range. Environmental factors examined within a 3-mile radius of each lek were climate, land cover, and densities of roads, power lines, pipelines, and communication towers. The sage-grouse is a candidate for listing under the ESA because of habitat and population fragmentation coupled with development in critical areas. Most of the sagebrush habitat used by sage-grouse is under public land management, with 50 percent managed by the U.S. Bureau of Land Management.

Senator Vitter and 32 Senators Urge Withdrawal of GHG Regulation Plans under NEPA: Sen. David Vitter (R, LA) and 32 senators sent a [letter to Nancy Sutley](#), the Chairwoman of the Council on Environmental Quality, urging the Administration to withdraw their draft guidance to regulate greenhouse gas (GHG) emissions under the National Environmental Policy Act (NEPA). The Senators contend that such requirements were not envisioned when NEPA was signed into law and will cause significant delays in permitting projects and slow our nation's economic recovery.

Energy, Transportation Companies make Safety Recommendations: Oil and trucking groups have teamed up to develop [safety recommendations](#) for booming oil- and natural gas-production areas like the Marcellus and the Bakken, where an explosion in trucking activities has caused some consternation with residents. The Consumer Energy Alliance, American Petroleum Institute, the American Trucking Associations and the National Tank Truck Carriers recommend energy companies require proof of compliance with regulations from transporters; meet with local officials to go over safety concerns; keep wait times to a minimum; and provide some sort of rest facility for drivers for extended waits.

Senators Vitter and Barrasso Lead Effort to Stop Additional Water Regulations: U.S. Sens. John Barrasso (R, WY) and David Vitter (R, LA), top Republican on the Environment and Public Works Committee, led a group of 30 senators urging the Administration to [withdraw draft guidance](#) to define "waters of the United States" under the Clean Water Act (CWA). The guidance could lead the EPA to redefine when isolated wetlands, intermittent streams, and other non-navigable waters should be subject to regulation.

Senator Coons and Senator Murkowski Set to Introduce MLP Legislation for Renewables: The bill will [extend MLP status](#) to a variety of renewable power and biofuel energy resources. The bill also expands MLP status to waste-heat-to-power, carbon capture and storage, biochemicals, and energy-efficient buildings. The bill has strong bipartisan backing in both the House and the Senate, and the last remaining issue is the cost of the provision. The sponsors are requesting a review by the Joint Tax Committee.

Administration Proposes 21 Million Acre Lease Sale Offshore TX: Secretary of the Interior Sally Jewell and Acting Assistant Secretary for Land and Minerals Management and Bureau of Ocean Energy Management (BOEM) Director Tommy P. Beaudreau announced that DOI will offer more than [21 million acres offshore Texas](#) for oil and gas exploration and development in a lease sale that will include all available unleased areas in the Western Gulf of Mexico Planning Area. Proposed Lease Sale 233 is scheduled to take place in New Orleans in August.

BLM Holds Public Forums to Kick Off Updates to Onshore Oil and Gas Orders: The BLM is proposing to [update Onshore Oil and Gas Orders 3, 4, and 5](#) to keep pace with changing industry practices and new technologies, and to respond to recommendations from the Government Accountability Office (GAO), the DOI's Office of the Inspector General, and the DOI's Subcommittee on Royalty Management. The Orders, which regulate production accountability and the measurement of oil and gas, were last updated in 1989. The goal of the update is to make sure the government is receiving fair compensation for federal resource sales.

BLM Amends Regulations Related to Renewable Energy Products on Public Lands: The [final rule](#) will allow BLM, when necessary for the orderly administration of the public lands, to temporarily segregate lands in a wind or solar energy right-of-way application from the location of mining claims or other land appropriations. The Final Rule will revise the regulations to provide for the segregation of lands to facilitate the processing of solar and wind energy right-of-way applications.

EIA Study Shows Extension of Certain Energy Tax Policies Would Reduce Carbon Emissions: The [Extended Policies case](#), released as part of EIA's Annual Energy Outlook 2013 (AEO2013), shows that extending certain federal energy efficiency and renewable energy laws and regulations could reduce annual energy-related carbon dioxide emissions in the United States in 2040 by roughly 6% relative to a Reference case projection that generally assumes current laws and policies. Between 2013 and 2040, this reduction adds up to a cumulative emission savings approaching five billion metric tons.

Nobody Happy with Mountaintop Removal Mining Actions: The Obama administration's actions to cut back on the environmental impacts of mountaintop removal mining haven't sat well with those on either side of the issue, the [Congressional Research Service](#) says in a new report. "Viewed broadly, the administration's combined actions on mountaintop mining displease both industry and environmental advocates. The additional scrutiny of permits and more stringent requirements have angered the coal industry and many of its supporters," said the CRS report, released by the Federation of American Scientists. "At the same time, while environmental groups support EPA's steps to restrict the practice, many favor tougher requirements or even total rejection of mountaintop mining in Appalachia."

Recruiting

EPSC has been adding new states and members to the coalition. There are currently members representing eleven states. Those states are: Alaska, Colorado, Idaho, Mississippi, North Dakota, Ohio, Oklahoma, Texas, Utah, Wisconsin and Wyoming. The newest member is: [Senator Chuck Winder](#) (ID).

As a reminder, EPSC membership is open to any state legislator or legislature that is serious about energy production and that supports the [Mission Statement](#) of the EPSC. Currently, membership is neither time consuming nor expensive. Members do not pay dues to EPSC. If you know of colleagues that might be interested in joining, all that is needed is to fill out this [form](#).

Website

EPSC's [website](#) is up and running. If you have suggestions for issues, content or event updates, please let Bo Ollison know at BOllison@consumerenergyalliance.org.

