

Northeast Public Power Association Legislative Update



March 2019

President Signs FY19 Omnibus Bill, Ending Stalemate

Just 24 hours before the Continuing Resolution was set to expire on Feb. 15, the Senate passed a seven-bill omnibus spending package, providing Fiscal Year 2019 funding for agencies such as the Department of the Interior, the Environmental Protection Agency (EPA), Department of Transportation, and dozens of other federal agencies. The House took up and passed the bill late on Feb. 14, and the President signed the measure the next day. Six of the bills included in the omnibus were already agreed upon by House and Senate appropriators in the fall but were entangled in a funding dispute on border security within the Homeland Security appropriations bill. No extraneous items (such as tax extenders or disaster aid) were attached to the omnibus. The bill includes \$1.38 billion in funding for border barriers, far less than the \$5.7 billion President Trump had initially requested.

Facing pressure from conservatives, President Trump declared security at the U.S.-Mexico border a national emergency and plans to direct \$8 billion in additional funds to build a border wall without congressional approval, spurring congressional action to block the emergency and possibly resulting in President Trump's first veto.

Now that all federal agencies are funded for Fiscal Year 2019, the Office of Management and Budget (OMB) can focus on the President's FY2020 budget request. Usually issued in February, OMB staff furloughs delayed the rollout of the President's budget request and the document is now expected Mar. 11.

Senate Committee Advances Wheeler's EPA Nomination

Following a party-line committee vote on Feb. 5, the Senate voted 52-47 to confirm Andrew Wheeler as the Administrator of the EPA on Feb. 28. The vote of the full chamber also fell along party lines with the exception of Sen. Susan Collins (R-ME) who opposed the nominee, citing a lack of action on climate change and the EPA's efforts to roll back vehicle emission standards. Sen. Joe Manchin (D-WV), the lone Democrat still in the Senate who voted for Wheeler to be deputy administrator, withdrew his support due to concerns over progress on water quality regulations. Since becoming Acting Administrator last July, Wheeler has largely avoided the management and ethical scandals that dogged his predecessor but has continued to push the Trump Administration's aggressive deregulatory agenda, including a scaled back WOTUS rule and tail pipe emission standards that are expected to be finalized later this year.

Green New Deal Proposal Released by Senate and House Sponsors

On Feb. 7, Sen. Ed Markey (D-MA) and Rep. Alexandria Ocasio-Cortez (D-NY) released a blueprint for the policy known as the "Green New Deal." The resolution does not call for 100% renewable power as activists had advocated, but cites the need for "clean, renewable, and zero emissions" energy sources.

In this edition:

- **Appropriations:** President Trump signs remaining FY19 appropriations ...
- **Environmental Policy:** Wheeler confirmed as EPA Administrator, Green New Deal introduced, Committees hold climate hearings ...
- **Cybersecurity:** Senate committees examine threats to the grid ...



The proposal is in the form of a non-binding resolution, which means it acts as a policy statement or messaging piece to rally behind rather than a specific legislative proposal. The resolution goes beyond just energy measures and seeks to manage the economic effects of an energy transition, funded by federal appropriations.

Reactions to the Green New Deal resolution were mixed, even among Democrats. House Speaker Nancy Pelosi (D-CA) stopped short of endorsing the resolution, calling it one among many plans put forward to combat climate change while GOP leaders largely panned it as expensive and unworkable. Seeking to challenge skittish Democrats to vote on the controversial resolution, Senate Majority Leader Mitch McConnell (R-KY) announced a vote could come sometime in March. In response to this pressure, all 47 Senate Democrats unveiled a slimmed-down resolution on climate change on Feb. 28. In contrast to the Green New Deal, the new resolution simply states the sense of Congress that climate change is real and caused by human activity, and that immediate action should be taken to address it.

Committees Hold Hearings with Focus on Climate

The House held a slew of climate-related hearings across several committees in February, ranging from clean energy infrastructure, workforce development, and inaction on the Paris Agreement in the Energy and Commerce Committee, to how infrastructure can help adapt and mitigate climate impacts in the Transportation and Infrastructure Committee. On Feb. 6, Governor Charlie Baker (R-MA) testified before the House Natural Resources Committee. He shared lessons learned from various wind generation projects in Massachusetts and extolled the value of hydropower in a renewable energy portfolio. Democrats used their time to paint a broad and urgent picture of the climate crisis, while Republicans questioned the ability of renewable sources to meet the nation's energy needs in the near future, part of a noticeable shift in Republicans' stance on climate issues. At a separate hearing of the Environment and Climate Change Subcommittee of the House Energy and Commerce Committee, Ranking Member John Shimkus (R-IL) said that Republican concerns about the methods suggested to address the problem do not amount to a denial of the issue.

Senate Committee Considers Cyber Threats to the Grid

On Feb. 14, the Senate Energy and Natural Resources Committee held a hearing on cybersecurity efforts underway to protect the electric grid. Witnesses from the Federal Energy Regulatory Commission (FERC), the North American Reliability Corporation (NERC), and DOE described the current process for developing and enforcing mandatory reliability standards. They also described the importance and benefits of other efforts, such as the biannual GridEx simulations and information sharing through the Electricity Information Sharing and Analysis Center (E-ISAC). Sen. Angus King (I-ME) expressed frustration that the government does not appear to be acting with a sense of urgency to secure the grid. The witnesses acknowledged that more can be done, but also gently resisted assertions by senators that their agencies do not take the matter seriously and are not actively engaged in protecting the grid.

Additionally, the Senate Homeland Security and Governmental Affairs Committee (HSGAC) held a roundtable discussion on Feb. 27 with a large slate of government and private sector experts to explore ways to protect the electric grid in the event of an electromagnetic pulse (EMP) or geomagnetic disturbance (GMD). Chairman Ron Johnson (R-WI) repeatedly expressed frustration that the federal government does not appear to take EMP and GMD risks seriously and has not implemented more rigorous standards to secure the grid. Most participants disputed Chairman Johnson's assertions that very little has been done, pointing to the GMD standard FERC approved last year and ongoing communication among utilities through the E-ISAC on best practices for mitigating EMP and GMD risks.

