



Colorado Cleantech Industry Association

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Federal Issues Update

In This Issue

[A Historic "Test Vote" On Ethanol](#)

[GOP Renewable Energy Bills](#)

[Join Our Mailing List!](#)

Dear Shelly,

Congress is starting to pick up a little speed with regard to our cleantech issues (see articles below). Congress went into session in mid-January and since then has been seemingly consumed with challenging budget issues, military interventions, a sex scandal, dour economic data and numerous holiday "District work" periods.

As you know, CCIA continues its direct and meaningful contact with our nine-member Colorado Congressional delegation and their staff. In fact, we've recently had three in-person meetings with our Members and more are being planned.

Many of you are aware that Congressman Doug Lamborn (CD 5-R) signed a letter supporting significant cuts to the Department of Energy's Energy Efficiency and Renewable Energy (EERE) budget (which also helps fund NREL). Congressman Lamborn has also made some tough comments and published an editorial about the economics of certain renewable energy technologies.

Congressman Lamborn is an original co-sponsor, though, of four bills (see article below) introduced last week in his House Natural Resources Committee to speed permitting for renewable energies on federal lands. There will be hearings on these bills this coming Thursday.

CCIA had two discussions last week with Cong. Lamborn's Washington, D.C. legislative staff and with his Colorado Springs District Director regarding these issues. We plan to meet directly with him this month or next. You can be assured that CCIA will continue to seek support from our U.S. representatives and senators as we inform and educate them about the complexities of the cleantech and renewable energy industries.

[A Historic "Test Vote" On Ethanol](#)



Last week there was a historic U.S. Senate "test vote" to eliminate ethanol subsidies and tariffs. The vote pushed forward the concept of including various energy tax breaks as a way to address deficit spending.

After a dizzying array of procedural votes, the Senate voted 73-27 to sunset the 45-cent per gallon ethanol tax credit as of July 1st and the 54-cent tariff on Brazilian ethanol. The successful amendment was co-sponsored by Senator Tom Coburn of Oklahoma and Senator Diane Feinstein of California.

While last week's ethanol vote shows that future adjustments are likely for some energy subsidies, the bill is not immediately moving toward final action. The underlying bill, [S. 782](#), is an economic development bill which is stalled in the Senate (partially due to various non-related amendments). The House is likely to object to the Senate-initiated tax changes on ethanol. The bill has also drawn the threat of a veto from President Obama. Agriculture Secretary Tom Vilsack has continued to be a vocal critic of making a link between ethanol mandates, tax credits and high food prices.

The amendment was opposed by a bipartisan bloc of Senators from Midwestern agriculture states including 14 Democrats and 13 Republicans. The amendment did not attract any support from the Atlantic or Pacific states.

Speaker John Boehner (R-Ohio) noted last Tuesday that some sort of changes are likely for ethanol tax breaks and subsidies.

GOP Renewable Energy Bills



The House Natural Resources Committee on Tuesday unveiled new measures to speed up renewable energy land-use reviews, geothermal leases, and wind energy development - both offshore and on federal

land:

[HR 2170](#) - Cutting Red Tape to Facilitate Renewable Energy Act:

- Streamlines the National Environmental Policy Act (NEPA) process by requiring an environmental review to be conducted for the specific location where the renewable energy project would be located and not for alternative locations.
- This could significantly reduce the number of years it takes to develop clean, renewable energy projects. For example, the Cape Wind Project was delayed for years while environmental reviews were conducted on alternative locations outside of the Nantucket Sound.
- Defines a renewable energy project on Federal lands and waters to include wind, solar, geothermal, biomass and tidal.

[HR 2171](#) - Exploring Geothermal Energy on Federal Lands Act:

- Current law requires each geothermal exploration hole to go through an individual environmental review and approval process, discouraging energy companies from investing in projects and greatly hampering our ability to harness geothermal energy. Each individual environmental review process can take 10 months to two years to complete.
- This legislation reduces redundancy and bureaucratic delays by requiring only a single environmental review to be completed for all geothermal exploration test holes within the same leased area.
- Streamlines certain burdensome regulations that hamper geothermal exploration and will allow for multiple test holes as long as the following requirements are met: the hole is no deeper than 2,500 feet and less than eight inches in diameter; the project is completed within 45 days; and the project can be done without the construction of new roads, without the use of off-road motorized vehicles and only uses rubber-tired equipments in order to ensure minimal environmental impact.
- Protects the environment by requiring the removal of any surface infrastructure and the restoration of the site to the conditions it was in before the project started.

- Requires applicants to notify the Department 30 days prior to drilling and gives the Department 10 days to review the permit, allowing time for possible changes before drilling begins.

HR 2172 - Utilizing America's Federal Lands for Wind Energy Act:

- Sets a 30-day timeline for the Secretary of the Interior to act on permits for all weather testing and monitoring projects on Bureau of Land Management and Forest Service leased land.
- Streamlines the environmental review process needed to place temporary infrastructure to determine the best location for windmills as long as the project meets the following requirement: is removed within five years, disrupts less than one acre at the location of each tower or device, and disrupts no more than five acres within the proposed right-of-way for the project.
- Protects the environment by requiring the project site to be restored to the condition it was in when the project began. It also requires that temporary infrastructure be installed near existing access roads, to the maximum extent possible.
- If the permit is denied, it requires the Secretary to provide a written answer explaining why and offer an opportunity to remedy.

HR 2173 - Advancing Offshore Wind Production Act:

- Streamlines the process for the Bureau of Ocean Energy Management (BOEM) to develop offshore wind power.
- Sets a 30 day timeline for the Secretary of the Interior to act on permits for all weather testing and monitoring projects in the U.S. Outer Continental Shelf.
- Streamlines the environmental review process needed to place temporary infrastructure as long as the project meets the following requirements: is removed within five years, causes less than one acre of disruption at the location of each tower or device and causes no more than 5 acres of seafloor disruption within the proposed area for the project.
- Requires the Department of the Interior to consult with other ocean users including the Secretary of Defense, the Commandant of the Coast Guard and other federal, state, and local agencies that would be affected by the issuance of the permit.

- Ensures the protection of the environment by requiring the project site be restored to its original condition with no traceable environmental disturbance.
- If the permit is denied, it requires the Secretary to provide a written answer explaining why and offer an opportunity to remedy.

Sincerely,
Drew Bolin
Colorado Cleantech Industry Association