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Executive Director **Federal** Update –December/January 2021

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Pelosi To Keep Climate Committee, Castor as Chair

Nick Sobczyk, E&E News reporter Published: Tuesday, December 15, 2020

The Select Committee on the Climate Crisis will return for the 117th Congress, House Speaker Nancy Pelosi (D-Calif.) said yesterday, as President-elect Joe Biden pushes for aggressive action on climate change.

Rep. Kathy Castor (D-Fla.) will remain chairwoman of the panel, which lacks legislative or subpoena authority.

The select committee was created at the beginning of the 116th Congress to provide climate policy recommendations by the end of this year, and Democrats on the panel issued a majority staff report to fulfill that obligation in June ([Greenwire](#), June 30).

Next Congress, it will likely offer a messaging vessel for House leadership to push ideas about climate policy, with a closely divided Senate on the horizon and the incoming Biden administration promising to make climate a priority.

The committee's report offers a broad range of spending and regulatory recommendations, including a clean energy standard and infrastructure investments, many of which mirror the ideas Biden talked up on the campaign trail.

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Message to Biden: Boost FERC, Expand Grid

Arianna Skibell, E&E News reporter Published: Tuesday, December 15, 2020

Policy analysts are urging President-elect Joe Biden's incoming administration to use existing authority to expand the nation's electric grid and to consider boosting the role of the Federal Energy Regulatory Commission.

A study out of Columbia University's Center on Global Energy Policy and New York University's Institute for Policy Integrity focused on the need for more long-distance transmission capacity to ship carbon-free solar and wind power across the country.

The development of high-voltage long-distance lines is among the most challenging energy infrastructure issues. Projects often face a tough slog at the state level, federal energy policy has been unsteady, and property rights advocates often oppose bids to site new lines.

The study's authors identified three main avenues through which FERC and the Department of Energy can improve the prospects of new interstate transmission lines.

One avenue is the use of Section 216 of the Federal Power Act, which directs DOE to designate energy transmission corridors. If a state stalls or rejects a project deemed in the national interest, the law authorizes FERC to issue a permit that preempts state control over transmission siting.

The report urges DOE officials to designate new transmission corridors to enable renewable energy development and the transmission of that power. "Those corridors should be undertaken in close coordination with FERC's process for issuing federal permits," the report says. "To further streamline the process, DOE should consider delegating its corridor designation process to FERC."

The second avenue is Section 1222 of the Energy Policy Act of 2005, which authorizes DOE to partner with private companies to develop transmission lines and other infrastructure. This would free development efforts from state regulatory constraints and give companies federal eminent domain authority.

And the third avenue is through the federal Power Marketing Administrations that deliver hydropower generated by federal dams. These entities have statutory authority to develop new transmission facilities across large areas of the United States.

Biden administration officials should ensure that "any efforts they take to strengthen environmental reviews of gas pipelines and fossil fuel projects do not somewhere spill over and make it hard for renewable projects," LaFleur said. "It's important that the federal government look at how it can help projects get built, not just slow down the ones some people might not want."

Bennet Pitches Forest Restoration Jobs Program

Emma Dumain, E&E News reporter Published: Wednesday, December 16, 2020

In the final days of the 116th Congress and the Trump presidency, Sen. Michael Bennet is laying the groundwork for a major conservation jobs push next year.

The Colorado Democrat yesterday introduced the "[Outdoor Restoration Force Act](#)," legislation that would commit \$60 billion to support more than 2 million jobs to promote forest and watershed restoration and resiliency efforts.

The bill would generate over \$156 billion in economic output, according to estimates from Bennet's office. A combination of state and local governments and federal agencies would be responsible for administering grants to eligible projects that would "restore forests and watersheds, improve air and water quality, enhance wildlife habitat, and expand outdoor access."

These projects would, in turn, provide employment opportunities at a time when jobs are scarce amid the COVID-19 pandemic and subsequent economic downturn.

A spokesperson for Bennet said the devastating and fatal wildfires out West this past summer underscored the urgency to act on a bill like this one.

The Bennet spokesperson also signaled the legislation's introduction, at this time, will serve as a marker for further efforts in 2021, when the incoming Biden administration could spur additional opportunities to incorporate this type of proposal into coronavirus stimulus packages, government spending bills and sweeping climate measures.

Other proposals

Bennet is not the first lawmaker to propose putting government money toward job creation programs in the outdoors space — a "win-win" for the economy and the environment.

Several members of Congress, in both parties and chambers, have introduced variations of bills that would create a 21st-century Civilian Conservation Corps, modeled after the Depression-era initiative of the same name that provided employment and job training to 3 million Americans between 1933 and 1942 (*E&E Daily*, Nov. 13).

One proposal with the most bipartisan buy-in is S. 3964, the "Cultivating Opportunity and Response to the Pandemic through Service (CORPS) Act," which would fund a total of 600,000 new national service positions for unemployed young people over three years while prioritizing funding for jobs dedicated to "preserving and restoring nature."

There was serious talk at one point of including this framework in a coronavirus stimulus package, though it's unclear whether that is still on the table as congressional leaders negotiate a narrower bill that would accomplish the bare minimum in terms of delivering much-needed relief as the pandemic persists (*E&E Daily*, Aug. 7).

Unlike these other related proposals, however, Bennet's bill takes a Western-centric approach that would fill a very specific need, said Alison Holloran, executive director of Audubon Rockies.

The legislation would also appropriate funding rather than authorize it, as many of the related, competing measures would.

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Transition 2020: Biden To Tap Former Michigan Gov. Granholm To Lead Energy Department

By Zach Colman, Tyler Pager

12/15/2020

President-elect Joe Biden will pick former Michigan Gov. Jennifer Granholm to run the Energy Department, the agency that would play a key role in helping develop the technologies needed fulfill his pledge to move the country off fossil fuels.

Granholt, who served two terms as Michigan's governor, is experienced in dealing with the auto industry — a potentially big advantage as the new president seeks to speed the rollout of electric vehicles and the network of charging stations needed to power them.

Granholt's ardent support of the auto industry may help Biden's team strengthen its appeal to blue-collar workers and the manufacturing sector as the incoming administration pitches its climate-centric economic transformation. And it would be a marked change of course from President Donald Trump's first Energy secretary, former Texas Gov. Rick Perry, who used the position to promote natural gas exports and push regulators to prop up coal as a power source.

Most of the Energy Department's budget is devoted to maintaining the country's nuclear weapons arsenal, but it also operates the 17 national labs that have helped develop advanced technology used in renewables, nuclear energy and fossil fuel production. Under former President Barack Obama, the Energy Department oversaw tens of billions of dollars in loan guarantees and grants that expanded the adoption of solar and wind power, helping drive a steep drop in the prices of renewable electricity. Those achievements were tarnished at the time by the scandal over Solyndra, a solar technology company that collapsed after taking more than \$500 million in federal funds.

DOE also will play a key role in reducing emissions from the nation's building, another target of Biden's climate plan. DOE has responsibility over setting appliance standards, conducting research on innovations like electric heat pumps and overseeing building and residential energy efficiency programs.

Granholt has sought to position herself as a figure who can help U.S. industry transition to a clean energy economy, a process that Biden has made one his top four goals.

If confirmed, Granholt — who defeated Trump Education Secretary Betsy DeVos' husband to win her second term as governor — would be only the second woman to lead the department since its creation in 1977.

Granholt actively promoted herself to be considered for the job, people familiar with the matter said, using her op-ed to show how Biden's clean energy goals could fit with his desire to help rejuvenate the Rust Belt economy. She was long viewed as likely to win a slot in Hillary Clinton's Cabinet had Clinton won the 2016 election.

She got the nod over a short-list of candidates that included former Energy Secretary Ernest Moniz and DOE Undersecretary Arun Majumdar. Environmentalists pushed hard against Moniz, saying he was too close to the fossil fuel and nuclear industries.

Granholt's Michigan connections to the auto industry and her ability to win support for a transition to electrified transportation would be central to Biden's vision for the U.S. economy and for the nation's climate change puzzle. Transportation is the largest greenhouse gas emitting sector in the U.S., so Biden's quest to achieve net-zero greenhouse gas emissions by 2050 requires large-scale adoption of electric cars, trucks, buses, trains and planes.

Gina McCarthy Couldn't Say No to Biden

Scott Waldman & Jean Chemnick, E&E News reporters Wednesday, Dec. 16, 2020

Gina McCarthy, who used her tenure as EPA administrator to build some of the most ambitious climate policies in American history, only to see them evaporate during the Trump administration, will be the top climate adviser to President-elect Joe Biden.

McCarthy has a reputation as a bare-knuckle brawler when establishing rules to address climate change and protect the environment. She was a frequent target of Republican lawmakers during the Obama administration and went through a series of contentious congressional hearings as she crafted the Clean Power Plan and other aggressive climate policies designed to slow global warming.

McCarthy is currently serving as president of the Natural Resources Defense Council and initially rebuffed offers to join the Biden White House. Sources close to her said she missed being in the middle of policy battles rather than on the sidelines. One source described her as a "bulldog" who relished the fight.

McCarthy has an "unbelievable depth of expertise and relationships with the obligated parties, with the utilities, the oil and gas industry, and with the auto industry," said a source close to the transition. "She's long been the person Biden wanted in that role, so it's not a surprise. It's a surprise that she said 'no' a couple of times."

The decision came as Biden races to fill his Cabinet and top policy positions prior to his inauguration in 35 days. His transition announced yesterday that Pete Buttigieg, the former mayor of South Bend, Ind., was selected as secretary of Transportation, a role that carries climate-related powers such as setting fuel economy standards. Biden is also expected to name former Michigan Gov. Jennifer Granholm as his Energy secretary.

McCarthy's position in the West Wing, which was first reported by *The Washington Post*, does not require Senate confirmation. She will be tasked with coordinating the scope of the federal government's work on climate change and ensuring that the entire government is working to reduce greenhouse gas emissions. That will include agencies such as EPA and the Interior Department, but also the Agriculture, Transportation and Treasury departments, as well as the Council of Economic Advisers and the National Economic Council.

McCarthy will work closely with the next EPA administrator, who will oversee regulatory action on climate change. Biden has not yet named the agency's leader. That process has been fluid, as marked by McCarthy's sudden emergence as Biden's climate counselor.

Another veteran regulator — California Air Resources Board Chair Mary Nichols — has faded from being the leading contender for the EPA position after environmental justice groups opposed her nomination.

Profeta said McCarthy's appointment was no substitute for an EPA administrator, whose role is to guide the regulatory process. His group's recommendations always envisioned a close partnership between EPA and the White House, and McCarthy will likely have a broader focus than just regulation.

Joining McCarthy as her deputy will be Ali Zaidi, New York's deputy secretary for energy and environment. Zaidi worked as associate director for natural resources, energy and science at the White House Office of Management and Budget in the Obama administration. Zaidi, 33, had been considered for the climate adviser position but lacks the star power of McCarthy and Granholm.

Environmental groups offered praise for McCarthy last night but made it clear that they expect her to go beyond Obama-era climate policy, much of which was rolled back by the Trump administration.

The Center for Biological Diversity issued a tepid endorsement of McCarthy, saying her work in the Biden administration needs to exceed what she accomplished as EPA administrator under Obama.

Bill Looks to Emulate Water Loan Program for CO2

Jeremy Dillon, E&E News reporter Published: December 17, 2020

House carbon capture boosters introduced legislation yesterday to establish a federally backed low-interest loan program to help build the infrastructure needed to move the captured greenhouse gas emissions.

The legislation aims to boost the deployment of carbon capture technology by ensuring a more solid financial model.

The bill would emulate federal efforts to help financing of highway and water infrastructure projects, known as the Transportation Infrastructure Finance and Innovation Act and the Water Infrastructure Finance and Innovation Act.

The proposed new program — dubbed the "CO2 Infrastructure Finance and Innovation Act" — would provide loans and grants to qualifying projects to move captured carbon. Much of that CO2 is expected to move through pipeline networks.

Carbon capture backers have long envisioned a pipeline network to connect trapped emissions with commercial uses. But building those pipelines is costly. So the effort has focused on trapping carbon and storing it underground or using it to enhance oil recovery nearby.

This bill seeks to change that dynamic. The loan program would see an initial spending authorization of \$600 million over its first two fiscal years and then \$300 million a year for three years after.

Provisions to boost carbon capture are part of energy legislation-making that could ride in an omnibus spending bill (E&E Daily, Dec. 15). The year-end package may also include tax incentives for the practice (E&E Daily, Dec. 16).

Energy and Commerce Adds 5 New Democrats

Jeremy Dillon, E&E News reporter Published: December 18, 2020

House Democrats announced a series of committee shake-ups last night, including five new Energy and Commerce members.

Rep. Alexandria Ocasio-Cortez (D-N.Y.) — who sought a seat on the panel to tackle two of her high-priority issues: The Green New Deal and universal health care coverage — was not on the list.

Fellow New York Rep. Kathleen Rice boxed her out, with the party's Steering Committee voting 46-13 in her favor.

The other four members joining E&C are Reps. Lizzie Fletcher of Texas, Kim Schrier of Washington, Angie Craig of Minnesota and Lori Trahan of Massachusetts. Leaders recommended them ahead of yesterday's vote.

Of the five new members, Fletcher has the most Capitol Hill experience on issues related to energy and the environment. She hails from a district that covers portions of Houston and its metropolitan area, including significant fossil fuel and energy-intensive industries.

Fletcher has also been Chair of the House Science, Space and Technology Subcommittee on Energy, where she helped craft a series of clean energy innovation bills set to join the year-end spending deal.

Biden Picks Michael Regan To Lead EPA

Kevin Bogardus, E&E News reporter. Published: December 17, 2020

President-elect Joe Biden has selected Michael Regan, secretary of the North Carolina Department of Environmental Quality, as his nominee for EPA administrator, four sources tell E&E News.

Regan, 44, has served at the state environmental agency since 2017 and previously worked at EPA. If confirmed, Regan would be the first Black man to lead the agency.

Reuters first reported that Regan has been chosen for the EPA job, followed by multiple news outlets.

As head of North Carolina's state environmental agency, Regan has been in the center of issues he will have to deal with on a national scale if he is confirmed to lead EPA.

He has helped win settlements to clean up GenX chemicals, which are types of per- and polyfluoroalkyl substances, and coal ash storage ponds.

Regan also helped draft a climate change plan to make North Carolina carbon neutral by 2050, making the state the first in the Southeast to set such goals, and created an environmental justice board to advise his department.

Before coming to North Carolina's Department of Environmental Quality, he founded his own consulting firm and worked at the Environmental Defense Fund.

He also spent nearly 10 years at EPA during the Clinton and George W. Bush administrations, including as a national program manager for the agency's Office of Air Quality Planning and Standards.

If confirmed as administrator, Regan is expected to lead a change of direction at EPA, which will be at the forefront of the Biden administration's effort to fight climate change and for environmental justice.

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Arizona Tribe Proposes Federal Law to Lease Its Water Rights

By Austin Fast, AP Updated: December 12, 2020

The Colorado River Indian Tribes near Parker is proposing a federal law to allow it to lease water rights in Arizona, a move that could aid the state's response to the drought.

The tribe said in public hearings on Dec. 7 and Dec. 10 that it would use the money raised from leasing Colorado River water to bolster services to its members, including for health care, education, elder programs and law enforcement.

The tribe is made up of four distinct groups of Native Americans — Mohave, Chemehuevi, Hopi and Navajo — along the Arizona-California border. The Colorado River Indian Tribes has one of the largest allocations of Colorado River water anywhere, and it's among the most secure, dating back to the 1860s when the reservation based in Parker was formed.

Its 662,000 acre-feet in Arizona is bigger than the state's allocation. It also has 56,000 acre-feet in California. An acre-foot is enough to supply a typical family for a year.

The Colorado River Indian Tribes isn't allowed to lease those water rights under a federal statute enacted in 1792 that prohibits the transfer of Native American trust assets without an act of Congress.

Its proposal to lease water, exchange water and store it underground on the reservation involves only its Arizona share. Leasing the water would allow more access to water statewide and help prevent severe drought because the tribe's allocation is unlikely to be cut in any future water shortage, the tribe said.

The Arizona Department of Water Resources director would review any deals the tribe makes to ensure they are legal and the water is put to beneficial use in Arizona. The department and the Colorado River Indian Tribes are gathering public comment on the proposal until Jan. 8.

DOE Releases Roadmap to Boost U.S. Energy Storage Manufacturing

January 7, 2021 Peter Maloney

The U.S. Department of Energy, in late December, released its plan to ramp up manufacturing capability so that the country's demand for energy storage can be filled by domestic sources by 2030.

The Energy Storage Grand Challenge Roadmap, the DOE's first comprehensive energy storage strategy, calls for accelerating the transition of storage technologies from the lab to the marketplace, focusing on ways to competitively manufacture technologies at scale in the United States, and ensuring secure supply chains to enable domestic manufacturing.

Under the slogan "Innovate Here, Make Here, Deploy Everywhere," the DOE's roadmap identifies initial cost targets focused on user-centric applications with substantial growth potential.

For long duration stationary storage applications, the roadmap aims at achieving \$0.05 per kilowatt hour (kWh), a 90 percent reduction from 2020 baseline costs by 2030.

Reaching that target would facilitate commercial viability for storage across a wide range of uses such as meeting load during periods of peak demand and ensuring reliability of critical services, the DOE said.

For electric vehicle battery packs, the roadmap target is \$80/kWh by 2030 for a 300-mile range electric vehicle, a 44 percent reduction from the current cost of \$143/kWh.

Reaching that target would lead to cost competitive electric vehicles and could benefit the production, performance, and safety of batteries for stationary applications, the DOE said.

'Something Bold': Behind the Climate Bill Budget Rule Change

Nick Sobczyk and Corbin Hiar, E&E News reporters. Published: January 8, 2021

House Democrats voted this week to scrap budget limitations for bills related to the coronavirus pandemic and climate change, a move, progressives sold as a win for their agenda.

But with close margins and moderate voices in both chambers, legislative attempts to cut planet-warming emissions remain a heavy lift.

While the exemptions from budgeting rules are limited in scope and unlikely to have dramatic impacts, they're a major departure from recent Democratic support for balanced budgets and a sign of the party's commitment to combat the pandemic and climate change.

The House rules package, approved Monday, would provide exemptions from so-called pay-as-you-go, or PAYGO, rules for legislation related to COVID-19 and climate change (E&E Daily, Jan. 5).

It came after negotiations between the Congressional Progressive Caucus, which detests PAYGO because it says it blocks consideration of climate spending bills like the Green New Deal, and the Blue Dog Coalition, a bloc of moderate Democrats who support fiscal constraints.

How it works

The Rules Committee has historically waived PAYGO when leadership deems it appropriate, including for the trillions of dollars in COVID-19 relief that the House passed over the course of last year.

"Congress waives PAYGO as often as they wave a flag," said Harkins, who worked on Capitol Hill for nearly two decades. "Anytime that there's a concern about something costing a lot that they can't find a way to offset, they just plain waive PAYGO."

The change will allow House Budget Chairman John Yarmuth (D-Ky.) to exempt climate and virus legislation from budget estimations.

House aides said it's based on a similar exemption created in 2011, when Republicans were in control of the House, for legislation to repeal the Affordable Care Act and to enact tax cuts, and other GOP policy priorities.

The current exemption will enable Democrats to bring pricey legislation to the floor without the risk of facing votes on corresponding tax increases, spending cuts or an "emergency" exemption from budget limits.

In the GOP-led 112th Congress, the PAYGO exemptions applied to entire bills, rather than provisions within them, and Democrats are still considering whether to follow that precedent, aides said.

Progressive advocates celebrated the PAYGO exemptions as a win for expensive efforts to combat climate change and expand health insurance. But the change won't give such legislation the green light anytime soon.

The rule change is likely to have limited impacts in the narrowly split Senate, which has its own budget rules and procedural constraints.

As a result, passing high-priced climate bills won't get much easier in the 117th Congress. They are still subject to the filibuster and the 60-vote threshold needed to overcome it.

But that's not to say the new accounting trick won't make any difference in the upper chamber. On spending bills in particular, senators will have "to defend taking things out that the House may have gotten momentum from and that the general public may support," said Harkins of Georgetown. "It will give progressives in the Senate more leverage to push for items."

It could also have a big impact on tax-related legislation. Those measures can be considered via budget reconciliation, a maneuver that allows the Senate's majority party to pass legislation with a simple majority (E&E Daily, Jan. 7).

Tax credits for wind and solar energy, battery storage systems, and hydrogen infrastructure could win the support of centrist Democrats like incoming Energy and Natural Resources Chairman Joe Manchin (D-W.Va.), he said.

Reporters George Cahlink and Emma Dumain contributed.

Garland Would Bring Rare Environmental Chops as Attorney General

By Ellen M. Gilmer January 7, 2021

Judge Merrick Garland would bring an uncommon level of environmental law expertise to the Justice Department's top spot if confirmed as attorney general in the incoming Biden administration.

The former Supreme Court pick, whom President-elect Joe Biden plans to nominate as attorney general, has helped decide the fate of dozens of federal air, water, and energy policies in more than two decades as a judge on the U.S. Court of Appeals for the District of Columbia Circuit. That bench carries a heavy load of environmental cases.

Previous attorney general picks from Democratic and Republican administrations had "nothing comparable on environmental and administrative law" on their resumes, Case Western Reserve University law professor Jonathan H. Adler said of Garland's experience.

It's unclear exactly how Garland's environmental law chops would come into play as attorney general. The Justice Department's leader typically handles big-picture issues and leaves environmental litigation specifics to a division devoted to the issue.

But Biden plans to prioritize climate action throughout the executive branch. His campaign has committed to revamping parts of DOJ with that goal in mind, and some environmental advocates are already pressuring Garland for follow-through

—With assistance from Jennifer Hijazi.

Democrats to Biden: Go Big On Executive Actions, Even With Senate Control

By Lauren Barron-Lopez, Holly Otterbein 01/11/2021

The Georgia Senate elections may have given Democrats more opportunities to pass their legislative agenda. But progressives want quick action, and they're still pressuring President-elect Joe Biden to use executive power to revamp everything from the economy to climate change policy.

Biden has been cool toward taking broad unilateral measures. A self-proclaimed institutionalist, he has stressed his desire to find common ground with Republicans and, in doing so, agitated members of his own party.

After watching in horror at the ways President Donald Trump wielded the power of the executive, progressives say they are eager for Biden to do the same. Democratic lawmakers and outside groups are readying lists of executive actions they want Biden to enact early in his presidency.

On Capitol Hill, they're making the case that the incoming president cannot afford to wait and see if Sen. Mitch McConnell and fellow Republicans will be amenable to compromise on items that require 60 votes for passage, or if the votes are there to reform the legislative filibuster. A 50-50 Senate with Vice-President-elect Kamala Harris as the tie-breaker will still present major hurdles for big-ticket items, even with some new procedural options at Democrats' fingertips.

The push for sweeping use of executive action has created a strange dynamic within the Democratic Party. Lawmakers are increasingly eager to cede their legislative power to Biden — but Biden says he doesn't want it.

In a sit-down interview with columnists before the holidays, the incoming president threw cold water on one of the biggest potential executive order items. "It's arguable," Biden said, that he would have the power to "forgive up to \$50,000 in student debt."

At a press conference on Friday, David Kamin, Biden's economic adviser, said that the president-elect would direct the Department of Education "to extend the existing pause on student loan payments" and support congressional action to cancel federal student loan debt. But Kamin put the amount they supported canceling at \$10,000 per person and didn't address if Biden would take executive action should Congress fail to act.

In addition to the pressure progressives are putting on Biden to immediately forgive student loan debt, they're advocating for him to direct his attorney general to review the process for removing or reclassifying marijuana on the list of "scheduled substances," and to issue a national emergency declaration for the climate change crisis. The former presents potentially tricky legal questions. The latter could require a subsequent order detailing the legal provisions under which Biden and others in his administration have the power to act.

Democrats also want Biden to use his presidential authority to effectively halt federal executions and commute the sentences of those on federal death row; and to empower the Federal Reserve and Treasury Department to carry out massive economic and infrastructure development projects such as state-of-the-art schools and 6G networks.

Over the last few months, the coalition pushing for aggressive executive actions has gained some powerful allies, including the top Senate Democrat, Schumer, who is poised to become majority leader but could face a left-wing challenge when he runs for reelection in 2022.

Schumer previously urged Biden to cancel student loan debt through an executive order. And Sen. Sheldon Whitehouse (D-R.I.), said Senate Democrats are organizing a process to have their "recommendations for early executive order action considered" by the incoming administration.

Whitehouse is pushing for at least six policy areas he wants Biden to tackle with executive actions. One he has proposed as an "opening day, mother of all executive orders," which includes clearing the decks of Trump appointees across agencies if some refuse to leave and rescinding agencies' pleadings in legal cases across the country.

Biden spokesperson TJ Ducklo said the incoming administration will immediately "act through legislation and use all levers of government to begin delivering results for working families."

Progressives argue that the failure to quickly help Americans cope with the coronavirus pandemic and related economic downturn through executive actions could result in Democrats being wiped out in the 2022 midterms.

The left is still burned by what it saw as former President Barack Obama's failure to adequately respond to the Great Recession — and his futile attempts to strike bargains with Republicans — which was followed by Democrats losing the House in 2010.

Front-Runner Surfaces to Lead Biden's Bureau of Reclamation

Jeremy P. Jacobs, E&E News reporter. Published: January 8, 2021

A veteran Colorado River attorney and New Mexico native has emerged as a leading contender to become President-elect Joe Biden's top water manager in the West.

Multiple sources say Tanya Trujillo is a top candidate to be Bureau of Reclamation Commissioner in the Biden administration.

Trujillo currently sits on Biden's Interior transition team. In an email, she declined to answer whether she is under consideration for the role, referring E&E News to the transition's press office — which did not return a request for comment.

Reclamation is the dominant federal water regulator in the West and plays a critical role in managing the Colorado River's resources, as well as federal infrastructure in California that shuttles water from the state's wet north to farms and cities in its drier south.

Trujillo would bring extensive state and federal experience to the position.

She's currently vice chairman of the New Mexico Interstate Stream Commission and was previously the executive director of the Colorado River Board of California, according to her LinkedIn page.

She worked on Western water in the Interior Department during the Obama administration for a year and, before that, as a senior aide to New Mexico Sen. Jeff Bingaman (D) and general counsel to the Senate Energy and Natural Resources Committee.

Sources also said that the transition team has been particularly tight-lipped about its Interior appointments. Another name that has come up is Estevan López, a Reclamation commissioner during the Obama administration.

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Utility Ceos, Analysts Wary of Biden's Timeline For Carbon-Free Power Sector

Author: Darren Sweeney

As several investor-owned utilities in the U.S. pursue a net-zero by 2050 carbon emissions goal, executives and Wall Street analysts warn that pursuing a more rapid energy transition as proposed by President-elect Joe Biden could be detrimental to affordability and reliability.

Biden unveiled a \$2 trillion climate plan in July that aims to decarbonize the U.S. power sector by 2035.

With thousands of people dying each day from the COVID-19 pandemic and millions of people out of work and struggling to pay their bills, this may not be the best time to pursue a massive green energy spending plan.

"The impacts from COVID on the economy have been devastating for a lot of people," Weisel said.

Travis Miller, an energy and utilities strategist at Morningstar Inc., also pointed out that these goals, which include reaching net-zero emissions across the entire economy by 2050, "are very aggressive with the technology that is out there today."

"Renewable energy, for the most part, is not compatible with reliable electric service," Miller said in a Dec. 8 phone interview. "You have to have natural gas on the grid to ensure reliability right now."

The Morningstar analyst also pointed to affordability as one of the biggest near-term hurdles facing the clean energy transition.

"I think the utility industry is eager to continue investing in clean energy," Miller said, noting the question is whether customers will be willing to pay higher costs.

When it comes to meeting net-zero emissions, analysts see the need for more economic clean energy technologies.

"It's going to be that last mile that is going to be the real challenge," Weisel said. "I point to [NextEra Energy Inc.], which is obviously the global leader in renewables, they are big believers that it would be very difficult to get to 100%. You can get very close and have dramatic reductions in your carbon emissions, but to go 100% net zero is where you either need new technologies or more likely current technologies that are uneconomic to become economic. Hydrogen is a great example of that.

"Hydrogen is technologically available today. We can do it. It's just unimaginably expensive."

Utilities Preach Patience

American Electric Power Co. Inc. Chairman, President and CEO Nicholas Akins is among those skeptical of achieving a carbon-free power sector by 2035.

"I think 2035 is particularly aggressive," Akins told S&P Global Market Intelligence. "If the Senate were to go to Democrats, you may see something like that. But that, to me, [is not feasible] particularly in areas AEP serves. It's not California. We do have seasons. We do have industrial customers."

AEP, which aims to reduce emissions 70% by 2030 and 80% by 2050 from a 2000 baseline, announced Nov. 5 that it will shut down more than 1,600 MW of coal capacity in Texas by the end of 2028. The company, however, plans to continue operating Appalachian Power Co.'s 2,930-MW John E. Amos and 1,330-MW Mountaineer coal plants in West Virginia, as well as the 1,560-MW Mitchell coal plant in West Virginia.

Akins said he does see the potential for some existing fossil-fueled capacity to serve as "more of an insurance policy" to ensure reliability in the future. "But still, to remove all fossil generation by 2035 is going to be really, really a tall order."

NiSource Inc. subsidiary Northern Indiana Public Service Co., or NIPSCO, said in September 2018 that it plans to shut down its remaining coal capacity within 10 years as part of the utility's plan to reduce carbon emissions by 90% off of a 2005 baseline. NIPSCO is focusing on a combination of wind, solar and storage capacity to replace its coal generation.

Still, NiSource President and CEO Joseph Hamrock said Biden's transition plan deserves a cautious approach.

"We are going to have to look at, like we always do, the economics of that transition," Hamrock said. "And then we also look at the environmental impact. We also look at the reliability aspects of the plan. ... So, achievable is a pretty loose word. I would say technically you could probably solve for [Biden's plan]. It's all those other factors that will ultimately shape the answer for us."

Southern Co. Chairman, President and CEO Thomas Fanning said Biden's plan is likely feasible and achievable, but he also cautioned against moving too quickly.

"I think society benefits as a whole if you allow enough time for technology innovation to take place to make the transition safer and more economic than if you rush headlong into a 2035 goal," Fanning said in a recent interview. "Could we do it? Yes. I think from the posture of clean, safe, reliable, affordable [electricity], I think there are other solutions that could achieve similar objectives and perhaps with less disruption to society."

Emissions cuts will continue

Fanning in May announced Southern's revamped strategy to target net-zero emissions by 2050 and reiterated the company's goal to reduce emissions by 50% by 2030 from 2007 levels, if not sooner.

"The general structure of how you advance to net-zero will be retiring coal over time and evaluating gas with carbon capture technology," the CEO added.

As Southern prepares to bring the first of two delayed and over budget units at its Alvin W. Vogtle Nuclear Plant expansion online in the third quarter of 2021, Fanning has not ruled out the possibility of investments in new carbon-free nuclear technology.

Xcel Energy Inc., which is planning to cut emissions 80% by 2030 and decarbonize its power portfolio by 2050, also views Biden's carbon-reduction plan as overly ambitious.

"There's a reason why we chose 2050," Xcel Chairman and CEO Ben Fowke said on the company's third-quarter 2020 earnings call. The CEO said he would "welcome the chance ... to work with the Biden administration and kind of let them know that 2035 in the utility timeframe for the technologies that will be needed is very aggressive."

Weisel, the Wall Street analyst, said he believes an extension of tax credits for wind and solar projects, possibly even nuclear and offshore wind projects, is the "most likely action that could be accomplished" by the Biden administration.

"I really think the outlook calls for more of the same," Weisel said. "What I mean by that is companies are going to be retiring coal plants and older gas plants, building more renewables. We will still see some highly efficient gas peakers being built as well, probably not baseload gas though. And then, a lot of grid modernization."