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FEDERAL UPDATE

House Energy Committee Reaches Broad Agreement on Carbon Emission Targets and Unveils Climate Change Bill

House Energy and Commerce Committee chairman Henry Waxman (D-CA) unveiled a compromise climate change/energy bill on Friday that includes a 120 percent boost in incentives promoting energy efficiency for historic structures and caps carbon emissions at 17 percent below 2005 levels in 2020, instead of the original draft's 20 percent. Waxman said he will not change the later reductions of 42 percent by 2030 and 83 percent by 2050. The committee also reached a broad agreement this week to require that 15 percent of electricity come from renewable sources, and an additional 5 percent from efficiency, by 2020. States could petition to go as low as 12 percent from renewable energy and 8 percent from efficiency. The historic preservation incentives were previously included in the draft energy bill as part Rep. Peter Welch's (D-VT) Retrofit for Energy and Environmental Performance (REEP) provisions, which provide incentives for offsetting the cost of retrofitting existing homes and buildings listed in the National Register of Historic Places.

Waxman has set aside all of next week to mark up the bill but further disputes are expected over the distribution of revenue under the emissions trading program. While many Democrats wanted to follow President Obama's proposal to auction 100 percent of the allowances and use the revenue to aid low-income consumers and research clean-energy technologies, more than 50 percent of the allowances would be given away, at no charge, in the early years of the program to utilities and manufacturing industries. The distribution of allowances includes 35 percent for electric utilities; 15 percent for manufacturing industries such as steel and cement; a 10 percent *declining share* for states for investments in renewable energy and energy efficiency initiatives; three percent for the automobile industry; and, two percent for oil refineries. Cap and trade proponents have expressed concern that the proposed distribution of allowances would leave only a small percentage of revenue to distribute to consumers to protect them from energy price spikes. Also, the Congressional Budget Office estimates that 25 percent of the total allowances will have to be set aside to keep the bill revenue-neutral. However, the compromises on allowances were necessary to gain the support of Reps. Rick Boucher (D-VA) and Gene Green (D-TX), who were negotiating on behalf of other moderate Democrats on the Energy and Commerce Committee.

Under the current agreement, it is difficult to assess how much revenue generated from the sale of allowances could be redirected to making older and historic structures more energy efficient. Reducing the adverse effects of increased energy costs on the consumer is one of Congress' top priorities for any revenue generated from the sale of allowances. The operation of existing buildings, however, accounts for over 40% carbon emissions and some preservationists are concerned that a state's share of emission allowances would be a declining portion (down to 5 percent by 2022) of the allowances pie. So, one item to keep on the radar screen is how this might affect a state's ability to invest in energy efficiency retrofits for older

and historic buildings, and if this could lead to any bias towards new construction. The Trust will be monitoring this closely.

House Appropriations Hearings Expose Shortfalls in Cultural Resource Management and Funding

Interior
Secretary Cites
Competing
Priorities as
Impeding
Progress on EIS
Review of Solar
Projects on BLM
Lands

The House Subcommittee on Interior, Environment and Related Agencies held its first set of hearings on the FY10 Interior Appropriations Bill this week, which included testimony from Interior Secretary Ken Salazar. Salazar was the main witness at the Wednesday hearing and fielded a number of questions about renewable energy and mining law reform. Salazar stated that he inherited over 200 applications for solar projects on Bureau of Land Management (BLM) lands which are “ready to go” but have not even had an Environmental Impact Statement (EIS) on 20 of the top projects they plan to fast track. Preservationists are concerned that the rush to fast track renewable energy projects like solar are also driving the urgency to expedite the siting of transmission corridors on public lands without proper environmental and cultural review. On mining reform, Salazar said he would support it and that there are many places where environmentalists and the mining industry are in agreement. However, Salazar expressed doubt that he would have time to bring the parties together on mining reform as his agenda with climate change, renewable energy, treasured landscapes and youth corps programs were keeping him preoccupied.

Heritage Areas,
Historic Parks,
Civil War
Battlefields and
other Cultural
Resources
Suffering from
Lack of Funding
and Poor
Management
within NPS

On Thursday, the subcommittee heard from National Park Service (NPS) Acting Director, Dan Wenk, who commented on issues that included cultural resource staff funding, heritage areas, and historic battlefields. Wenk noted that NPS is working on a response to a National Academy of Public Administration Report charge that NPS has been neglecting cultural resources, to which Wenk admitted that NPS has fallen short of the mark on cultural resource management. Wenk also discussed National Heritage Areas (NHAs) funding, which has received only level FY’09 funding (\$16 million) in the administration’s FY10 budget, in spite of the addition of nine new heritage areas in a recently-passed omnibus public lands bill. Rep. John Olver (D-MA) also noted that heritage areas are supposed to receive \$10 million each to get them started and to build momentum for obtaining private funding. However, established NHAs are only receiving about \$350,000 and the newer units only \$150,000.

Rep. Tom Cole (R-OK) noted his love of historic parks and battlefields and expressed his concern about encroachment on these sites and asked if NPS if they had what they needed for land acquisition to protect these sites. Cole cited the example of the ongoing controversy with Wal-Mart over their planned development of a supercenter store within eyeshot of the Wilderness Civil War Battlefield in Orange County, Virginia. The National Trust is actively opposing the Wal-Mart development (for more information on the Trust’s campaign to save the battlefield visit

Senate
Committee
Rejects
Amendment to
Strip Corridor-
Siting Authority
from FERC and
Leaves Eminent
Domain Issue
Unresolved

<http://www.preservationnation.org/take-action/advocacy-center/action-alerts/wal-mart-threatens-wilderness.html>). NPS director Wenk responded in the general by saying that authorization for the Civil War Battlefield Fund had expired but that it has since been reauthorized and was funded at \$4 million in the President's FY10 budget. The battlefield fund was created to make necessary land acquisitions to protect historic battlefield sites from encroaching development.

Senate Energy Committee Mark Up Addresses Cost and Eminent Domain Issues on Siting of Transmission Corridors

The Senate Energy and Natural Resources Committee held its first formal markup of a draft renewable energy/transmission corridor siting bill on Wednesday. The Committee adopted by a 13-9 margin an amendment by Sen. Bob Corker (R-TN) which states that only those regions that measurably benefit from the new lines should be required to pay for them. But Sen. Byron Dorgan (D-ND) is expected to introduce an amendment on the Senate floor to kill that requirement, and instead specify that cost for the lines be spread through all the communities through which they pass. Many lawmakers have expressed concern about how the cost for the new lines — estimated at least \$80 billion — will be allocated. Some believe the cost should be spread regionally throughout the areas that the new lines will cross. Others believe that only those regions benefiting from the lines, either through increased economic activity or new electric capacity, should pay.

In addition, the committee rejected by a vote of 7-16 an amendment by Sen. Robert Menendez (D-NJ) that would have denied the Federal Energy Regulatory Commission (FERC) the authority of eminent domain to site new transmission power lines. Energy Committee chairman Jeff Bingaman (D-NM) had floated a proposal last week that would transfer siting authority to the Department of the Interior, thereby preserving the federal government's eminent domain power to supersede local and state authorities in siting transmission lines, but make that power subject to greater congressional oversight. The National Trust is opposing all efforts to allow the federal government authority to overrule states that reject power line routes in the hopes of preserving historic and cultural resources that may be in danger from the mad rush to site new transmission corridors. It is uncertain how the committee will proceed on the eminent domain issue given a Court of Appeals ruling in February stating the federal government lacked the authority to overrule the states that reject corridor-siting decisions.

When the markup continues next week, the Committee will take up an amendment by Sen. Maria Cantwell (D-WA) that would ensure that most of the power flowing through the new transmission lines comes from renewable sources. It will also require that new power sources carried through the lines not emit more greenhouse gases than would be emitted by a natural-gas burning plant.

House Vote
Emphasizes
Depth of Support
for School
Renovation and
Economic
Stimulus for
Local
Communities

Green Schools Bill Passes House by Wide Margin

The House passed a green schools bill (HR 2187) on Thursday by a vote of 277-155 that authorizes \$20 billion over five years to renovate and rebuild school buildings with an eye toward making them more energy efficient and at the same time creating construction jobs to help the ailing economy.

Preservationists are hopeful that the bill will continue the momentum to fund rehabilitation of older and historic schools begun under the recently-passed stimulus bill earlier this year.

Introduced by Rep. Ben Chandler (D-KY), HR 2187 would inject \$6.4 billion into school construction in fiscal 2010 to make renovations aimed at making schools safer, healthier and more environmentally friendly. The funds in HR 2187 can be used for, among other things, roofs, including "green" roofs, storm water runoff systems, windows, acoustic enhancements, bringing buildings into compliance with safety codes, complying with the Americans with Disabilities Act, removal of asbestos or other hazardous materials, reduction of noise pollution, and renewable energy heating systems.

The bill would also provide states with money to make grants and low interest loans which would be allotted under a formula based on a district's share of students from low-income families, and guarantees that every district that receives federal money for low-income students will get at least \$5,000.

The measure also authorizes \$600 million from fiscal 2010 to fiscal 2015 specifically for schools in the Gulf Coast region, where many school buildings were destroyed or severely damaged by hurricanes Katrina and Rita in 2005. An amendment by Rep. Bobby Bright (D-AL) was also adopted on the House floor would require that 5 percent of funds under the measure — not including money already designated for the Gulf Coast region — be set aside for areas with significant economic distress or recovering from a natural disaster.

STATE AND LOCAL UPDATE

DoT Announces Competitive Grants for States and Localities

Transportation Secretary Ray LaHood announced Friday that \$1.5 billion in competitive grants from the economic stimulus bill passed earlier this year will be made available to state and local governments for infrastructure projects intended to benefit the national economy. States and localities will compete for grants ranging from \$20 million to \$300 million with applications due by September 15, 2009. Projects must also contribute to improving quality of life and energy efficiency. LaHood stated that the grants will "open up the door to many new innovative and cutting-edge transportation projects" and "that these projects will promote greater mobility, a cleaner environment

Stimulus Funding
Would Go to
Transportation
Projects that
Promote More
Livable
Communities

and more livable communities.”

For further information visit <http://www.dot.gov/affairs/2009/dot6909.htm>
and read the Interim Notice of Funding Availability at
http://www.federalregister.gov/OFRUpload/OFRData/2009-11542_PI.pdf.

