

Policy Alert

February 20, 2015

House Energy and Commerce Committee Releases Energy Policy Framework: Architecture of Abundance

“Our energy landscape has changed, but our national energy policy has not kept pace. Outdated and inadequate energy policies are preventing us from taking full advantage of America's energy abundance.”

As President Obama's veto of Keystone Pipeline legislation looms, the House Energy and Commerce Committee (the “Committee”) released an energy policy framework on February 9, 2015 entitled “Architecture of Abundance.” The Committee's Architecture of Abundance represents an effort by Committee Chairman Fred Upton (R-MI) to build a focused, solutions-based energy package that can garner bipartisan support that along with Senate counterparts can be advanced during the course of 2015. While the stated goal of the framework is to create an energy policy for the 21st century that will “maximize our Nation's energy potential, strengthen energy security, and keep [energy] prices affordable,” it is clear that the Committee is seeking to identify areas where bipartisan agreement can be reached to modernize the country's energy policy while steering clear of contentious issues, such as environmental and greenhouse gas regulation.

The Committee has identified four areas of focus to meet its energy goals:

- **Modernizing Infrastructure.** A shortage of modern electricity infrastructure limits the ability to carry abundant new supplies of oil and gas to consumers, which threatens energy reliability and affordability. America's energy infrastructure has also failed to keep up with changing market dynamics and technological advances and grid security needs. Finally, red tape associated with permitting pipelines and transmission lines adds costs, delays and uncertainties that can negatively affect energy delivery.
- **21st Century Energy Workforce.** In order to modernize and update energy infrastructure, an educated sustainable energy workforce is vital. The Committee will seek to expand America's energy workforce and manufacturing sectors to include minority and lower-income workers by allowing the Department of Energy, national laboratories, community colleges and public-private partnerships to better coordinate and leverage existing resources.
- **Energy Diplomacy for a Changing World.** There are significant geopolitical and energy security benefits to making North America a global energy leader. America must improve coordination and strengthen energy partnerships with Canada and Mexico and establish a process to determine the international implications of America's energy permitting decisions. Decisions concerning exporting of energy commodities and infrastructure development should consider our national interests and ability to leverage resources to advance our foreign policy goals.

- **Efficiency and Accountability.** The Committee supports solutions that harness new technologies and private sector innovation for more efficient energy usage in businesses, homes and government facilities. Further, the Committee promotes simple and affordable methods to address energy demand, bring down costs and reduce waste.

In the upcoming months, the Committee will publish a “discussion draft” for each of the above areas of focus, which will likely form the basis for legislation that the Committee will introduce later this year.

Critics of the Architecture of Abundance claim that the plan will facilitate the continued and expanded use of fossil fuels and development of infrastructure that will perpetuate climate change. Friends of the Earth has called the plan an “architecture for climate suicide.”

But despite the larger picture disagreements on America’s energy policy (i.e., burning fossil fuels vs. renewable/clean energy production) there are aspects of the Committee’s plan that should appeal to Democrats and Republicans alike. For example, expanding the workforce to include minority and lower income workers, and providing training through community colleges and public-private partnerships should enjoy bipartisan support and would build upon the efforts of Committee Democrats such as Rep. Bobby Rush (D-IL) in this area. Additionally, President Obama’s State of the Union address proposed free tuition for community colleges with degree programs or occupational training programs for in-demand fields like energy, manufacturing and information technology. While the Committee is not likely to go as far as the president’s proposal, it is worth noting the general support that exists on both sides of the aisle. Promoting energy efficiency and reducing demand should also appeal to both parties; indeed, one of the building blocks of EPA’s Clean Power Plan requires using energy more efficiently. And in the Senate, efficiency legislation has been championed by Senators Rob Portman (R-OH) and Jeanne Shaheen (D-NH), and in January their legislation received an overwhelming 95-4 vote in its favor when it was offered as an amendment to the Keystone XL pipeline legislation.

A final area where there should be broad agreement is the need to streamline the environmental review and permitting of developing energy infrastructure. The Architecture of Abundance recognizes that “delays and red tape in the permitting process prevent America from constructing the safest, most reliable, and oftentimes more environmentally sound routes of energy delivery.” Critics, on the other hand, believe that any such streamlining efforts come at the cost of environmental protection, both through inadequate environmental reviews and expanding energy production from fossil fuels. But neither of these outcomes needs to be the case.

Over the last decade, Congress has enacted a number of bills containing provisions to streamline environmental review that have resulted in reducing infrastructure project costs and delays, while being no less protective of the environment. Key examples include the past three highway reauthorization bills, each of which contained significant streamlining provisions and was passed with bipartisan support. As a result, the environmental review process for a federally funded highway has been cut in half. On the energy front, the Energy Policy Act of 2005 contained federal permit streamlining provisions, as well.

In sum, this month's roll out of the Architecture of Abundance marks the first step in an effort to advance bipartisan energy legislation in this Congress. Indeed, the Ranking Democrat on the Energy and Commerce Committee, Frank Pallone (D-NJ), reacted positively to the release by Chairman Upton, acknowledging the need to update and modernize the country's infrastructure and characterizing the inclusion of provisions enjoying bipartisan support as "encouraging". Pallone further called on Chairman Upton to include Democrats in the discussion of any draft legislation to make it acceptable to a broad range of Members on both sides of the aisle. To be certain, there will be intense areas of debate and disagreement on issues relating to the administration's environmental regulatory agenda that impact the energy sector, but the supporters of the Architecture of Abundance are hoping to keep those issues separate from the four areas outlined in its framework, which they believe can be a means to garner both Republican and Democratic support.

Attorneys and advisors in Akin Gump's Energy and Environmental Policy practice groups are available to assist clients in understanding, navigating and influencing Congress' upcoming energy policy debates.

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