A View from The Hill on Energy Legislation

with Special Guest Brian Hughes, Majority Staff Director for Chairman Lisa Murkowski, of the Senate Energy and Natural Resources Committee

June 30, 2020
Before We Begin...

All participant lines have been set to mute for quality purposes.

Please submit questions to questions@blankrome.com

Our presentation will begin at 12:00pm Eastern
Thank you.

Disclaimer: The purpose of this update is to identify select developments that may be of interest to readers. The information contained herein is abridged and summarized from various sources, the accuracy and completeness of which cannot be assured. This update is not and should not be construed as legal advice or opinion, and is not a substitute for the advice of counsel.
Introduction

Margaret Hill
Partner
Energy
Blank Rome LLP
Agenda

• Remarks by Brian Hughes
• House Approach to Clean Energy
• Recent Developments in Offshore Wind
• Geopolitical and Washington Update
• 2020 Election Overview
Brian Hughes

Majority Staff Director for Chairman Lisa Murkowski, of the Senate Energy and Natural Resources Committee
House Approach to Clean Energy

Joan M. Bondareff
Of Counsel
Blank Rome Government Relations and
Blank Rome LLP
House Approach to Clean Energy

- House is ready to pass H.R. 2, the Moving Forward Act, by July 4 recess.
- Moving Forward Act is a $1.5T mega-infrastructure bill covering highways, education, health care, housing, broadband and energy.
- Key clean energy elements:
  - $70B to transform the electric grid to accommodate more renewable energy;
  - Encourages “greening the fleet” with tax credits for electric vehicles;
  - Builds on current tax incentives for green energy technologies;
  - Adds new incentives for reducing carbon pollution; and
  - Provides incentives to develop wind and solar on public lands and building a workforce for offshore wind.
- Paying for H.R. 2 is unresolved –W&M Cte. Chairman Neal has identified “Build America Bonds” as one possibility.
  - Private bonds are another option.
- How to marry H.R. 2 with the Senate Energy bill? Will the Republican Senate accept a $1.5T infrastructure bill without a clear payfor?
Recent Developments in Offshore Wind

- Treasury extended the safe harbor for wind projects to receive ITC and PTC credits by one year in a letter to Sen. Grassley on May 7, 2020.
- Congress is considering an extension of the tax credits—not yet completed.
  - Wind associations looking for grants-in-lieu of credits and another extension of the PTC.
- Installation of the first turbines in federal waters just took place off Virginia in the Dominion Coastal Virginia Offshore Wind (CVOW) project, with the 220-turbine project set to begin construction in 2024.
- Conflicts with commercial fishing interests have to be resolved.
Geopolitical & Washington Update

Spencer Abraham
Senior Advisor
Blank Rome Government Relations LLC

Joe McMonigle
Senior Advisor
Blank Rome Government Relations LLC
Geopolitical & Washington Update

Geopolitical

• Oil prices recover $40 range with demand signs
• OPEC-Plus extends biggest cuts for July
• 7.7 mbd for August thru December 2020
• EIA/IEA forecasts normal demand by year-end
• More OPEC Cuts

Washington

• White House pivots to economic growth
• Trade Issues
• Campaign soon will dominate agenda
• Stark differences on energy issues
• Energy “dominance” vs. climate emergency
2020 Election Overview

C.J. Zane
Managing Principal
Blank Rome Government Relations and
Blank Rome LLP
Election Environment

• Volatile and Divisive

• Battleground States

• COVID-19 Impact
Senate Seats in Play - 2020

**Likely to Switch Parties**
- Alabama
- Colorado
- Arizona

**Highly Competitive/Toss-Up Races**
- Maine
- North Carolina

**Competitive/Lean Republican Races**
- Georgia
- Iowa
- Kansas
- Montana

---

**Which Senate seats are in play in 2020?**
Democrats need to pick up four seats to gain a majority in the Senate.

- **Democrat-held seat**
- **Republican-held seat**
- **Potentially competitive**

*23 Republican seats in play*
*12 Democratic seats in play*

*Both Senate seats in Ga. will be on the ballot, but it’s possible only one is competitive.*

**The Fix**
Presenters

Margaret Hill
Partner
Philadelphia, PA
215.569.5331
mhill@blankrome.com

Spencer Abraham
Senior Advisor
Washington, D.C.
202.772.5918
sabraham@blankrome.com

Joan M. Bondareff
Of Counsel
Washington, D.C.
202.772.5911
bondareff@blankrome.com

Joe McMonigle
Senior Advisor
Washington, D.C.
202.772.5922
jmcmonigle@blankrome.com

C.J. Zane
Managing Principal
Washington, D.C.
202.772.5975
zane-cj@blankrome.com

Brian Hughes
Managing Principal
Majority Staff Director for
Chairman Lisa Murkowski,
of the Senate Energy and
Natural Resources Committee