



## **2015 Adopted Resolutions of the Southern States Energy Board**

### **1. 2015 – Resolution Regarding State Implementation Plans under the Clean Power Plan**

Sponsored by: Senate President Bill Cole of West Virginia\*  
Delegate Woody Ireland of West Virginia  
Delegate John B. McCuskey of West Virginia

### **2. 2015 – Resolution Supporting Retention of the Current Ozone Air Quality Standard**

Sponsored by: Representative Chuck Martin of Georgia\*  
Representative Bill Sandifer of South Carolina

### **3. 2015 – Resolution Encouraging Adoption of the Regulation Freedom Amendment**

Sponsored by: Senator Eddie Joe Williams of Arkansas  
Representative Chuck Martin of Georgia  
Senator Thomas Alexander of South Carolina  
Senator Mark Norris of Tennessee\*

### **4. 2015 – Resolution In Support of Expanded Liquefied Natural Gas Exports**

Sponsored by: Representative Ken Henderson of Arkansas  
Senator Bobby Pierce of Arkansas  
Representative Sue Scott of Arkansas  
Senator Eddie Joe Williams of Arkansas\*  
Senator Gerald Long of Louisiana  
Senator Robert Adley of Louisiana  
Representative Myra Crownover of Texas

### **5. 2015 – Resolution Urging the Development of Critical Natural Gas Transmission Infrastructure**

Sponsored by: Representative Lynn Smith of Georgia  
Senator Larry Grooms of South Carolina\*  
Senator Gerald Long of Louisiana  
Representative Bill Sandifer of South Carolina  
Senator Thomas Alexander of South Carolina

### **6. 2015 – Resolution Supporting Carbon Capture and Storage and Enhanced Oil Recovery**

Sponsored by: Representative Rocky Adkins of Kentucky  
Representative Jim Gooch of Kentucky  
Dr. Len Peters Kentucky Energy and Environment Cabinet Secretary, Governor's Alternate\*

\*Originating Sponsor





Adopted on September 28, 2015

Resolution sponsored by: Senate President Bill Cole of West Virginia\*  
Delegate Woody Ireland of West Virginia  
Delegate John B. McCuskey of West Virginia

## **1. 2015 – Resolution Regarding State Implementation Plans under the Clean Power Plan**

WHEREAS, diverse, reliable, and affordable energy supply is vital to economic growth in the southern region; and

WHEREAS, the member states of the Southern States Energy Board (SSEB) have abundant natural resources that have contributed to regional growth and development and benefit from a diverse mix of energy sources that include coal, natural gas, nuclear power, and renewable energy; and

WHEREAS, on June 2, 2014, the U.S. Environmental Protection Agency (EPA) proposed the Clean Power Plan to reduce carbon dioxide (CO<sub>2</sub>) emissions from fossil fuel-fired power plants, requiring Southern states to significantly reduce the CO<sub>2</sub> emissions rate of their electricity generating fleets; and

WHEREAS, SSEB states produce nearly 50 percent of the nation's electric power in an affordable, safe, and reliable manner and the North American Electric Reliability Corporation and Regional Transmission Organizations are raising cautions about the reliability of the nation's electric grid in light of the projected retirement of more than 60 Gigawatts (GW) of generating capacity prior to 2020 due to economic considerations and compliance with more stringent environmental requirements; and

WHEREAS, on August 3, 2015, the EPA predicted in its Regulatory Impact Analysis for its final Clean Power Plan that up to 29 GW of coal-fired generating units would close by 2025 with 11 GW more closing 2030, and many of these units are in or serving SSEB states; and

WHEREAS, some studies project that the EPA's proposed Clean Power Plan may cause double-digit electricity price increases in many states, including the 16 states and two territories comprising the SSEB; and

WHEREAS, the Clean Power Plan is based on emission reduction measures that interfere with the regulation of electricity by individual states and will have a major impact on energy resources, electricity ratepayers, grid reliability, jobs, and the economy of the United States; and

WHEREAS, twenty-nine states do not believe that the Clean Power Plan is consistent with EPA's authority under the Clean Air Act; and



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**WHEREAS, the final Clean Power Plan may be overturned as the result of legal challenges by multiple states; now**

**THEREFORE BE IT RESOLVED that the Southern States Energy Board finds that EPA's Clean Power Plan interferes with the sovereign powers of the states to regulate electricity within their borders and to ensure a reliable and affordable supply of electricity for their citizens; and**

**BE IT FURTHER RESOLVED, the Southern States Energy Board urges:**

- 1) State attorneys general to take necessary legal actions after EPA issues its final Plan to prevent unlawful obligations from being imposed on states, electricity providers, businesses and citizens; and**
- 2) That pending resolution of all such legal actions, Governors should take such additional actions as may be appropriate to protect the best interests of their states, including, but not limited to, requesting a two-year extension of the deadline to submit a final state plan, refusing to submit a Clean Power Plan under Section 111(d) of the federal Clean Air Act, or working with state environmental agencies to submit an implementation plan that the state deems to be feasible and legally sound regardless of whether the plan conforms to the final rule.**

**BE IT FURTHER RESOLVED that copies of this resolution be to the Governors, lieutenant governors, applicable state regulators, and legislative presiding officers of the Southern States Energy Board's member states.**

## **2. 2015 – Resolution Supporting Retention of the Current Ozone Air Quality Standard**

WHEREAS, the U.S. Environmental Protection Agency (EPA) has proposed to revise the 2008 primary National Ambient Air Quality Standard for ozone from 75 parts per billion (ppb) to a range of 65 ppb to 70 ppb, while taking comment on retaining the existing standard and an alternative standard of 60 ppb (79 Fed.Reg. 79234, December 17, 2014); and

WHEREAS, ground level ozone, or urban smog, is caused by the photochemical reaction of emissions of nitrogen oxides (NO<sub>x</sub>) and volatile organic compounds (VOCs) in the presence of sunlight; and

WHEREAS, emissions contributing to ozone come from a variety of natural and manmade sources, including motor vehicles, power plants, refineries, manufacturing and industrial facilities, oil and natural gas production, and commercial establishments such as restaurants, dry cleaners, and auto repair shops; and

WHEREAS, EPA air quality trends data show that ozone concentrations have decreased significantly in both urban and rural areas over the past two decades in response to state and federal emission control programs; and

WHEREAS, most states are on-track to be fully in attainment with the current standards, but some have not yet reached full attainment according to EPA; and

WHEREAS, 23 states, including 12 of the 16 states in the Southern States Energy Board (SSEB) region recommended in their comments on the proposed standard that EPA should retain the current primary standard; and

WHEREAS, a revised ozone standard of 65 or 70 ppb could lead to widespread nonattainment designations in southern states that already meet the current ozone standards; and

WHEREAS, increased nonattainment designations would stifle industrial and business expansion by imposing expensive new emission "offset" requirements; and

WHEREAS, the industries most impacted by new nonattainment area designations include chemicals, refineries, paper, cement, steel, aluminum, and fossil-fueled power plants; and

WHEREAS, major construction projects, such as new commercial or residential developments as well as highway construction can be impacted by transportation "conformity" requirements that limit emissions from associated vehicle activity; and

WHEREAS, EPA's Regulatory Impact Analysis (RIA) estimates that the annual cost of compliance with a revised standard of 70 ppb would be \$3.9 billion, rising to \$15 billion annually for 65 ppb, and to \$39 billion for the alternative standard of 60 ppb; and



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WHEREAS, EPA reports that 358 counties in the nation would violate a standard of 70 ppb, and that an additional 200 counties would violate a standard of 65 ppb; and

WHEREAS, retaining the current ozone standard would provide for continued air quality improvement throughout the nation, as emission reduction programs under existing EPA regulations are implemented; and

WHEREAS, SSEB states produce nearly 50 percent of the nation's electric power in an affordable, safe and reliable manner and the North American Electric Reliability Corporation and Regional Transmission Organizations are raising cautions about the reliability of the nation's electric grid in light of the projected retirement of more than 60 Gigawatts (GW) of generating capacity prior to 2020 due to economic considerations and compliance with more stringent environmental requirements; and

WHEREAS, EPA predicts in its RIA for its final Clean Power Plan up to 29 GW of coal-fired generating units would close by 2025 with 11 GW more closing 2030, and many of these units are in or serving SSEB states; and

WHEREAS, EPA's detailed projections of known controls needed to meet a 65 ppb standard include 79,000 individual control actions across all energy-intensive industries, oil and gas production and transmission facilities, and dozens of other industrial and commercial sectors.

THEREFORE BE IT RESOLVED that the Southern States Energy Board urges the EPA to retain the current ozone air quality standards in order to provide continued public health protection and air quality improvement as other EPA and state regulatory programs are implemented.



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Representative Chuck Martin of Georgia  
Senator Thomas Alexander of South Carolina  
Senator Mark Norris of Tennessee\*

### **3. 2015 – Resolution Encouraging Adoption of the Regulation Freedom Amendment**

WHEREAS, the Southern States Energy Board is deeply concerned about the economic impact of federal regulations imposed without adequate legislative oversight; and

WHEREAS, the proposed "Regulation Freedom Amendment" to the U.S. Constitution would require Congress to approve major new federal regulations as follows:

"Whenever one quarter of the Members of the U.S. House or the U.S. Senate transmit to the President their written declaration of opposition to a proposed federal regulation, it shall require a majority vote of the House and Senate to adopt that regulation"; and

WHEREAS, fifteen (15) state legislative chambers have now adopted Resolutions urging Congress to propose "The Regulation Freedom Amendment"; and

WHEREAS, the American Farm Bureau Federation has also resolved to support "The Regulation Freedom Amendment."

THEREFORE BE IT RESOLVED that the Southern States Energy Board urges Congress to propose and adopt "The Regulation Freedom Amendment," and

BE IT FURTHER RESOLVED, the Southern States Energy Board urges state legislatures which have not already done so to adopt Resolutions urging Congress to propose "The Regulation Freedom Amendment" and send copies of this Resolution to Members of Congress from the Southern Region as well as to the Governors and the legislative leaders of states in the Southern Region upon adoption.





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Senator Bobby Pierce of Arkansas  
Representative Sue Scott of Arkansas

Senator Robert Adley of Louisiana  
Senator Gerald Long of Louisiana  
Representative Myra Crownover of Texas

#### **4. 2015 – Resolution In Support of Expanded Liquefied Natural Gas Exports**

WHEREAS, the United States is currently experiencing a potentially transformative energy boom, including in natural gas; and

WHEREAS, a cumbersome and outdated natural gas export regulatory system prevents us from capitalizing on this energy revolution by exporting natural gas in its liquefied form (LNG) freely to Non-Free Trade Agreement partners to promote economic growth; and

WHEREAS, the current export control regime also keeps us from using this resource strategically to support our partners around the world. Recent world events, including events in Ukraine and the Middle East, bring the strategic aspects of this situation into sharp focus; and

WHEREAS, plentiful natural gas supplies and unprecedented advances in technology have provided a historic opportunity for the U.S. to achieve energy self-sufficiency while creating jobs and wealth for our economy; and

WHEREAS, pioneering exploration and extraction methods have opened such vast natural gas resources to development that demand on U.S. natural gas markets can grow with little impact to domestic prices; and

WHEREAS, the Department of Energy (DOE) estimates natural gas production levels by 2035 will be 55 percent more than the Department estimated only four years ago, a growth trend that can support all domestic demand while allowing the U.S. to capitalize on the economic benefit of exporting abundant natural gas to other nations; and

WHEREAS, expanding exports of liquefied natural gas (LNG) is a key component to helping the United States realize its potential as a global energy leader while creating hundreds of thousands of jobs and strengthening the U.S. economy; and

WHEREAS, global demand for LNG is expected to grow significantly over the next two decades; and

WHEREAS, LNG exports will create tens of thousands of construction and operations jobs and will support fifty thousand jobs in the exploration and production sectors for every two billion cubic feet per day of exports; and

WHEREAS, according to recent studies, expanding markets for LNG are expected to generate as much as \$86 billion in net benefits to the U.S. economy; could create more than 450,000 American jobs, and help reduce the U.S. trade deficit by as much as \$60 billion by 2038; and



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**WHEREAS, expanded LNG exports would promote stability in natural gas pricing and spur increased investments by the natural gas industry, providing more jobs and revenue for roads and schools here in natural gas producing regions; and**

**WHEREAS, creating additional markets for U.S. natural gas is also consistent with national trade and security policy because failure to do so would force our allies to continue to rely on regimes hostile to U.S. interests for their energy needs; and**

**WHEREAS, construction and operation of LNG export facilities would incentivize new direct infrastructure investments worth billions of dollars and generate royalties and local tax revenues directly into communities across the country; and**

**WHEREAS, over 40 LNG production facilities have applied to DOE for licenses to export, yet only six projects have received final permitting approval from DOE;**

**WHEREAS, a diverse coalition of LNG producers, energy and petroleum companies, business groups, service companies, elected officials and others have expressed their support for LNG exports.**

**THEREFORE, BE IT RESOLVED, the Southern States Energy Board endorses expanded markets for LNG exports from the United States and encourages regulatory and legislative policies designed to streamline and simplify the permitting process; and**

**BE IT FURTHER RESOLVED that a suitable copy of this Resolution be transmitted to Members of the United States Congress as an expression of the Southern States Energy Board's support for expanded LNG exports and the streamlining of permit approval for pending export facilities so that the economic benefits of LNG exports can be magnified throughout the United States.**



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Senator Gerald Long of Louisiana  
Senator Thomas Alexander of South Carolina

Senator Larry Grooms of South Carolina\*  
Representative Bill Sandifer of South Carolina

## **5. 2015 – Resolution Urging the Development of Critical Natural Gas Transmission Infrastructure**

WHEREAS, the Southern States Energy Board is an interstate compact organization created by state law with the consent of Congress; and

WHEREAS, the SSEB's mission is to enhance economic development and quality of life in the South through innovations in energy and environmental policies; and

WHEREAS, in order to promote prosperity, ensure national security, and power its economy, the United States relies on low cost, reliable, and diverse sources of energy; and

WHEREAS, national environmental policies increasingly require the use of natural gas as a primary source of energy for the United States, including SSEB member states; and

WHEREAS, advances in technology continue to lead to the discovery of plentiful supplies of natural gas in the United States, presenting a historic opportunity to create jobs, generate wealth, and achieve energy self-sufficiency; and

WHEREAS, certain regions within the SSEB's member states do not have natural gas interstate transmission infrastructure sufficient for large volumetric uses, such as electricity production and heavy manufacturing; and

WHEREAS, state and federal regulatory agencies have determined that modern pipelines are the safest method of transporting natural gas.

THEREFORE, BE IT RESOLVED that the Southern States Energy Board, by this resolution, urges the United States Congress, the Federal Energy Regulatory Commission, the congressional delegations of Southern States Energy Board member states, and the legislatures of Southern States Energy Board member states, to adopt policies that promote the development of critical natural gas interstate transmission infrastructure that benefit their citizens; and

BE IT FURTHER RESOLVED, the Southern States Energy Board urges Congress and the states to adopt collaborative policies that balance the interests of private property owners and the safety of communities.





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Representative Jim Gooch of Kentucky  
Dr. Len Peters, Kentucky Energy and Environment Cabinet Secretary, Governor's Alternate\*

## **6. 2015 – Resolution Supporting Carbon Capture and Storage and Enhanced Oil Recovery**

WHEREAS, the Southern States Energy Board supports state efforts to store or find beneficial uses for carbon dioxide emissions by providing adequate funding and incentives for research into carbon capture and storage technologies and underground storage capacities, including the use of carbon dioxide (CO<sub>2</sub>) for enhanced oil recovery (EOR); and

WHEREAS, EOR using CO<sub>2</sub>, when performed appropriately and responsibly, offers a safe and commercially proven method of domestic oil production, and that as of 2013, EOR using CO<sub>2</sub> produced approximately 280,000 barrels of domestic oil per day, or four percent of U.S. crude oil production; and

WHEREAS, existing EOR technologies could help to recover an estimated 21.4 billion barrels of oil using 8.9 billion metric tons of CO<sub>2</sub>, and that with technology advances, 63.3 billion barrels of oil, using 16.2 billion metric tons of CO<sub>2</sub> could be economically recovered, roughly doubling U.S. proven oil reserves and improving our nation's energy independence; and

WHEREAS, electricity generated from power plants burning coal and natural gas and from numerous industrial activities, including natural gas processing, production of ethanol, fertilizer, hydrogen and certain chemicals, refining, and manufacture of cement and steel, all emit CO<sub>2</sub> that could be captured and used to further the goals of energy independence and reduction of greenhouse gases; and

WHEREAS, use of carbon capture at power plants and industrial facilities for EOR could reduce U.S. greenhouse gas emissions by 10-20 billion tons, and produce oil with less environmental impact; and

WHEREAS, there are a number of economic and job opportunities in CO<sub>2</sub> capture and use, including but not limited to, manufacturing CO<sub>2</sub> capture system components; installing carbon capture technology; building pipelines to transport CO<sub>2</sub>; rehabilitation of mature oil fields; and managing CO<sub>2</sub> injections and monitoring long-term storage; and

WHEREAS, coal and oil production and utilization and other industrial processes are a critical component of many southern states' economies, and that beneficial use of CO<sub>2</sub> provides a long-term path for continued low-carbon production and use of our nation's coal and oil resources and presents an opportunity for state and local governments to stimulate economic activity and realize additional revenue at a time when many governments face significant fiscal challenges; and

WHEREAS, CO<sub>2</sub> capture equipment, installed on a broad range of industrial processes, has the potential to supply significant volumes of CO<sub>2</sub> to the EOR industry enabling the United States to achieve significant net carbon reductions through the sequestration of CO<sub>2</sub>; and



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WHEREAS, the United States has the opportunity to provide global leadership in carbon capture research and technology development, hydrocarbon recovery and geologic storage research and technologies, manufacturing, engineering and other services; and

WHEREAS, bipartisan legislation has been previously introduced in Congress to reform and provide for additional tax credits for CO<sub>2</sub> capture and use in EOR; and

WHEREAS, these credits would pay for themselves over time through increased tax revenue due to new oil production, without even considering the other job and economic benefits of EOR; and

WHEREAS, enactment of such legislation could result in an additional eight billion barrels of U.S. oil production, and storage of four billion tons of CO<sub>2</sub> that would otherwise be released into the atmosphere; and

WHEREAS, there are other legislative efforts to enhance carbon capture including the use of master limited partnerships and private activity bonds, and the proposed FY 2016 federal budget contains an investment tax credit and a production tax credit to cover portions of investments in carbon capture projects.

THEREFORE BE IT RESOLVED, the Southern States Energy Board, in recognition of the economic and environmental benefits of carbon capture and enhanced oil recovery, supports policies and incentives that advance investment in carbon capture and enhanced oil recovery projects, and supports efforts to increase the awareness of the many benefits of carbon capture and EOR; and

BE IT FURTHER RESOLVED that Congress and the President should enact federal incentives to increase available CO<sub>2</sub> supply for the oil industry to purchase and use in EOR, as these incentives have the potential to also leverage private and state investment, harness the ingenuity of entrepreneurs and capitalize on billions of dollars of DOE-sponsored research and development to enable new commercial carbon capture and pipeline projects; and

BE IT FURTHER RESOLVED, the SSEB urges Congress and the Administration to support legislation and budget measures that provide assistance to the development and deployment of carbon capture and EOR technologies; and

BE IT FURTHER RESOLVED, the SSEB urges Congress and the Administration to rapidly act on this resolution in order to increase the energy security of our nation, to reduce the dependence on unstable foreign oil sources, and to create high quality jobs and additional economic benefits.