# 2013 Adopted Resolutions of the Southern States Energy Board

**1.2013 – Fixing America's Inequities with Revenue (FAIR) Act Resolution**
Sponsored by: Senator Robert Adley of Louisiana
Senator Cam Ward of Alabama

**2.2013 – Outer Continental Shelf Access Resolution**
Sponsored by: Representative Bill Sandifer of South Carolina

**3.2013 – Resolution Supporting the Expansion of LNG Export Capability**
Sponsored by: Senator John Watkins of Virginia
Sec. Doug Domenech, Secretary of Natural Resources, Virginia Governor's Alternate

**4.2013 – Resolution Concerning Proposed U.S. EPA Greenhouse Gas Emission Standards for New Fossil-Fueled Power Plants**
Sponsored by: Representative Rocky Adkins of Kentucky
Representative Bill Sandifer of South Carolina
Senator Eddie Joe Williams of Arkansas

**5.2013 – Resolution Calling for the EPA to Evaluate and Publish a State-by-State Analysis and Summary of Projected Greenhouse Emissions Resulting from the New Source Performance Standards Introduced on September 20, 2013 and Planned Standards for Existing Sources to be Proposed on June 1, 2014**
Sponsored by: Dr. Len Peters, Secretary of the Energy and Environment Cabinet, Kentucky Governor's Alternate

**6.2013 – Updating Net Metering Policies Resolution**
Sponsored by: Senator John Watkins of Virginia
Senator Cam Ward of Alabama

**7.2013 – Resolution Encouraging High Performance State Buildings**
Sponsored by: Senator Robert Adley of Louisiana
Senator Terry Burton of Mississippi
Senator Terry Brown of Mississippi

Adopted Unanimously on October 14, 2013
Sponsored by: Senator Robert Adley of Louisiana
Senator Cam Ward of Alabama

# 1.2013 – Fixing America's Inequities with Revenue (FAIR) Act Resolution

WHEREAS, since 1920, interior states have kept 50 percent of the oil, gas and coal production revenues, including royalties, severances and bonuses, generated in their states from federal lands within their borders; and

WHEREAS, offshore producing states face inequities in federal energy policies because coastal states have not benefitted from this same partnership; and

WHEREAS, coastal energy producing states have a limited partnership with the federal government to keep very little revenue generated from their offshore energy production that is produced for the nation; and

WHEREAS, Atlantic Seaboard states and Alaska have no partnership with the federal government to keep revenues generated from their offshore energy production; and

WHEREAS, in 2006 Congress passed the Gulf of Mexico Energy Security Act (GOMESA) that will go into effect in 2017, which calls for a sharing of 37.5 percent of coastal production revenues with four Gulf states with a cap of $500 million per year; and

WHEREAS, the FAIR Act shall address this inequity by accelerating GOMESA by fully implementing it in 2013 as well as by gradually lifting all revenue share caps; and

WHEREAS, the FAIR Act authorizes a revenue share of 37.5 percent for all coastal states that produce any form of energy in the Outer Continental Shelf, whether it is oil, gas or renewable wind or wave energy; and

WHEREAS, offshore revenue sharing is an integral element to a comprehensive national energy plan, increasing revenue as well as creating additional jobs for the states of the Southern States Energy Board; and

WHEREAS, the FAIR Act provides that states will keep 50 percent of all revenues from renewable energy produced onshore, such as wind and solar energy, on federal lands within their borders to match the 50 percent of revenues already shared from oil, gas and coal production; and

THEREFORE, BE IT RESOLVED that the Southern States Energy Board urges the United States Congress:

1. To adopt the Fixing America's Inequities with Revenue (FAIR) Act or a similar measure;

2. To treat onshore renewable production equally to onshore oil, gas and coal production for revenue purposes; and

3. To rectify the revenue sharing inequities between coastal and interior energy producing states.

Adopted Unanimously on October 14, 2013
Sponsored by: Representative Bill Sandifer of South Carolina

# 2.2013 – Outer Continental Shelf (OCS) Access Resolution

WHEREAS, the President of the United States has called for an "all of the above" energy strategy including the use of domestic oil and natural gas; and

WHEREAS, the Congressional moratorium prohibiting oil and natural gas leasing, exploration, and production on the Outer Continental Shelf (OCS) expired in 2008; and

WHEREAS, 87 percent of federal offshore acreage is currently off limits to any development of oil and natural gas; and

WHEREAS, according to the United States Department of Interior, existing resource estimates for the Atlantic Outer Continental Shelf are 3.3 billion barrels of oil and 31.1 trillion cubic feet of natural gas; and

WHEREAS, United States Department of Interior resource estimates for the Eastern Gulf of Mexico are 5.1 billion barrels of oil and 16.1 trillion cubic feet of natural gas; however, this area is under Congressional moratorium until 2022; and

WHEREAS, the last seismic surveys of the Atlantic Outer Continental Shelf were conducted 30 years ago and resource estimates are out of date; and

WHEREAS, technological advances in seismic surveying have led to significant increases in resource estimates and production totals in other OCS areas; and

WHEREAS, seismic surveying can be done safely without threat to marine environments and mammals; and

WHEREAS, permits for conducting seismic surveys may only be issued upon completion of the Geological and Geophysical Programmatic Environmental Impact Statement for the Atlantic Outer Continental Shelf; and

WHEREAS, studies have shown that developing offshore oil and natural gas in areas currently off-limits to production could increase domestic oil production by the equivalent of 30 percent of current United States crude oil imports, create more than 1 million new jobs and generate $127 billion in government revenue by 2030; and

WHEREAS, governors from Virginia, North Carolina and South Carolina have called for the inclusion of the Atlantic Outer Continental Shelf in future federal lease sales; and

WHEREAS, support for a regional revenue and royalty sharing program among participating states has growing support from the Congressional delegations of Virginia, North Carolina and South Carolina and passed the U.S. House of Representatives and is currently included in offshore legislation before the U.S. Senate; and

Adopted Unanimously on October 14, 2013
Sponsored by: Representative Bill Sandifer of South Carolina

THEREFORE, BE IT RESOLVED that the Southern States Energy Board strongly urges Secretary of the Interior Sally Jewell to mandate timely completion of the Geological and Geophysical Programmatic Environmental Impact Statement for the Atlantic Outer Continental Shelf and include the Atlantic Outer Continental Shelf in the 2017-2022 Five Year Plan.

Adopted Unanimously on October 14, 2013

Sponsored by: Senator John Watkins of Virginia
Sec. Doug Domenech, Virginia, Secretary of Natural Resources, Governor's Alternate

# 3.2013 – Resolution Supporting the Expansion of Liquefied Natural Gas (LNG) Export Capability

WHEREAS, reserves of natural gas in the United States have greatly expanded due to the application of innovative drilling and extraction technologies, resulting in a supply of natural gas that will exceed internal needs for many decades to come, and therefore presents the opportunity for incremental sales of surplus gas in the form of liquefied natural gas (LNG) into the international energy market; and

WHEREAS, the United States Department of Energy commissioned a study which was performed by NERA Economic Consulting, a well-qualified econometric firm that analyzed the macroeconomic impact of expansion of LNG exports under a variety of scenarios, including high and low volumes of energy demand, natural gas production and daily export volume; and

WHEREAS, this study found that "in all of the scenarios analyzed…the U.S. economic welfare consistently increases as the volume of natural gas exports increased" and could generate up to $47 billion in new economic activity by 2020; and

WHEREAS, the NERA study further found that export sales would result in a "wealth transfer" to the United States and improve the nation's balance of trade situation, and strengthen the position of the United States in the world energy market; and

WHEREAS, expansion of export sales to foreign customers would help stabilize the domestic market and enhance investment in development of indigenous gas production and processing, which is currently depressed, and therefore will increase capacity and infrastructure development in this sector and ultimately benefit domestic gas customers; and

WHEREAS, investment in this sector will create jobs and foster economic development, and the NERA study found that domestic gas price impacts would be modest and that the benefits far outweigh the costs; and

WHEREAS, natural gas is a clean burning fuel with relatively low carbon dioxide emission, therefore expansion of its global use has environmental benefits; and

WHEREAS, there are potential export terminals in the United States that are poised to serve the global export market, but are awaiting necessary regulatory approvals; and

THEREFORE, BE IT RESOLVED that the members of the Southern States Energy Board find that expansion of LNG exports is in the national interest and hereby call upon the United States Department of Energy and all other responsible regulatory agencies to facilitate and expedite the licensing and permitting of facilities for the processing, shipping and export of LNG so that the abundant domestic natural gas resources can serve the international market, without undue restrictions and thereby bring about substantial and important benefits.

Adopted Unanimously on October 14, 2013

Sponsored by: Representative Rocky Adkins of Kentucky
Representative Bill Sandifer of South Carolina
Senator Eddie Joe Williams of Arkansas

# 4.2013 – Resolution Concerning Proposed U.S. EPA Greenhouse Gas Emission Standards for New Fossil-Fueled Power Plants

WHEREAS, the U.S. Environmental Protection Agency (EPA) has proposed regulations establishing New Source Performance Standards (NSPS) for carbon dioxide ($CO_2$) emissions from new coal-fueled and natural gas-fueled electric generating units (77 Fed. Reg. 22,392, April 13, 2012);

WHEREAS, the proposed NSPS would impose a "one-size fits-all" emission rate standard of 1,000 pounds of $CO_2$ per Megawatt-hour for both coal and natural gas combined-cycle power plants, effectively mandating that new coal-based electric generation units employ carbon capture and storage (CCS) technology;

WHEREAS, the U.S. Department of Energy, in cooperation with industry and the coal research community, is making great strides to increase efficiency and decrease the cost of CCS, and pilot tests are underway to demonstrate CCS at the scale necessary to establish confidence for power plant application;

WHEREAS, significant investments have been made in CCS demonstrations in order to maintain the viability of clean coal as an "all of the above" energy option, and continued investments in CCS technology development and deployment are needed;

WHEREAS, all previous EPA NSPS for fossil-fueled generating units have provided separate emission standards for coal steam-electric and natural gas combined-cycle units, recognizing the inherent differences in these fuels and electric generation technologies;

WHEREAS, President Obama's June 25, 2013, Memorandum to the Administrator of EPA requires EPA to re-propose the NSPS; and

WHEREAS, an "all of the above" national energy policy should encourage the development of a diverse array of electric generating technologies to help ensure reliability and to facilitate access to all available domestic sources of energy; and

THEREFORE, BE IT RESOLVED that the Southern States Energy Board requests that the U.S. EPA issue greenhouse gas NSPS for fossil-fueled electric generating units providing separate standards for coal-fueled steam-electric and natural gas combined-cycle generating units that can be achieved with commercially-demonstrated technologies, and that will permit the economic utilization of all types of domestic coals.

Adopted Unanimously on October 14, 2013
Sponsored by: Dr. Len Peters, Secretary of the Energy and Environment Cabinet, Kentucky Governor's Alternate

# 5.2013 – Resolution Calling for the EPA to Evaluate and Publish a State-by-State Analysis and Summary of Projected Greenhouse Emissions Resulting from the New Source Performance Standards Introduced on September 20, 2013, and Planned Standards for Existing Sources to be Proposed on June 1, 2014

WHEREAS, in his June 25, 2013, Climate Agenda speech, President Obama restated a goal of reducing Greenhouse Gas (GHG) emissions by 17 percent by 2020; and

WHEREAS, the President's Administration has placed emphasis on rejuvenating the manufacturing industry which relies heavily on reliable, affordable electricity; and

WHEREAS, President Obama has proposed and endorsed an "all of the above" energy portfolio; and

WHEREAS, each state can contribute to these goals in individual and unique ways consistent with their historical strengths, resources, and individual state policies and priorities; and

WHEREAS, all 50 states contribute to the common good of the United States for energy security, economic strength, and national security; and

THEREFORE, BE IT RESOLVED that the Southern States Energy Board requests that the U.S. Environmental Protection Agency (EPA) provide a transparent and detailed accounting, state-by-state, of the expected reductions of GHG emissions resulting from their proposed standards to reduce them. Specifically, the EPA should detail on a state-by-state basis, the tons of GHG emissions reductions expected and the corresponding percentage of the total 2010 GHG emissions for each state for the years 2015, 2020, and 2025. The EPA should not include in their projections any reductions attributable to other potentially responsible activities, such as market forcing of fuel switching from coal to gas-fired or other electricity generation type, or existing state Renewable Portfolio Standards (RPS) activities in place prior to this determination; and

BE IT FURTHER RESOLVED that the Office of Management and Budget should contribute to and have oversight of this accounting and the procedures used for this accounting; and

BE IT FURTHER RESOLVED that these determinations and the methods used for computing these determinations should be completed and published in the Federal Register by December 1, 2013.

Adopted on October 14, 2013
Sponsored by: Senator John Watkins of Virginia
Senator Cam Ward of Alabama

# 6.2013 – Updating Net Metering Policies Resolution

WHEREAS, the U.S. electric grid delivers a product essential to all Americans; and

WHEREAS, electricity runs our economy—it powers our homes, businesses, industries, and the smart technologies and innovations that enhance our quality of life; and

WHEREAS, the United States needs a diverse supply of safe and reliable electricity; and

WHEREAS, the electric power industry is leading the transformation to make the grid more flexible and more resilient to meet the growing demands of our digital society; and

WHEREAS, the electric power industry directly employs more than 500,000 American workers and is the nation's most capital-intensive industry, investing more than $85 billion per year, on average, in capital expenditures, including investments in transmission and distribution infrastructure; and

WHEREAS, there is growing interest in rooftop solar panels and other small-scale, on-site distributed generation (DG) systems; and

WHEREAS, it is recognized that when these rooftop solar and other DG systems first came to market years ago, many states approved a billing plan called net metering to encourage their introduction; and

WHEREAS, some states now have net metering policies that credit rooftop solar or other DG customers for any excess electricity that they generate and sell using the grid and require utilities to buy this power at the full retail rate; and

WHEREAS, the full retail rate of electricity often includes the fixed costs of the poles, wires, meters, advanced technologies, and other infrastructure that make the electric grid safe, reliable, and able to accommodate solar panels and other DG systems; and

WHEREAS, when net-metered customers are credited for the full retail cost of electricity, they effectively avoid paying the grid costs, and these costs for maintaining the grid then are shifted to those customers without rooftop solar or other DG systems through higher utility bills; and

WHEREAS, the use of rooftop solar and other DG systems now has become more widespread, and many states are reviewing their net metering polices; and

THEREFORE, BE IT RESOLVED that the Southern States Energy Board encourages state policymakers to recognize the value the electric grid delivers to all and to:

1. Update net metering policies to require that everyone who uses the grid helps pay to maintain it and to keep it operating reliably at all times;

2. Create a fixed grid charge or other rate mechanisms that recover grid costs from DG systems to ensure that costs are transparent to the customer; and

3. Ensure electric rates are fair and affordable for all customers and that all customers have safe and reliable electricity.

Adopted Unanimously on October 14, 2013
Sponsored by: Senator Robert Adley of Louisiana
Senator Terry Burton of Mississippi
Senator Terry Brown of Mississippi

# 7.2013 – Resolution Encouraging High Performance State Buildings

WHEREAS, the Southern States Energy Board (SSEB) is dedicated to the goals of energy efficiency, economic growth, and enhancement of the region's building product industries; and

WHEREAS, SSEB encourages southern states to adopt policies and procedures that improve the energy performance of new and existing buildings throughout the SSEB member states; and

WHEREAS, the construction and remodeling of state owned and financed buildings can increase the demand for building and construction materials, finishes, furnishings and other products made in or incorporating materials produced in the states; and

WHEREAS, the environmental quality in the southern states can advance by improving the energy performance of state buildings; and

WHEREAS, the SSEB member states should undertake initiatives that foster cost effective construction and remodeling of energy efficient, high-performance buildings; and

WHEREAS, reducing long-term operation and maintenance costs of state buildings contributes to the economic health of the southern states; and

WHEREAS, to insure long-term energy conservation, buildings must be designed and constructed to meet or exceed energy code standards; and

WHEREAS, green building rating systems can help design high performance buildings, but the new United States Green Building Council's (USGBC) Leadership in Energy & Environmental Design (LEED) v.4 could limit the use of products produced in the southern states and potentially eliminates the use of dozens of approved materials and hundreds of proven products while driving up costs to the taxpayer and threatening jobs in SSEB member states; and

WHEREAS, LEED also limits the use of southern forest products even though southern forests are managed by thousands of tree farmers and timber growers to meet numerous environmental and economic needs of the southern states.

THEREFORE, BE IT RESOLVED that new state buildings should be designed, constructed and certified to meet or exceed the American Society of Heating, Refrigerating and Air Conditioning Engineers (ASHRAE) 90.1.2010 energy standard; and

BE IT FURTHER RESOLVED to achieve high performance buildings, state construction projects should utilize a nationally recognized, consensus based code (the International Green Construction Code or IGCC), standard (ASHRAE 189.1), or program (the Green Building Institute's Green Globe program) that does not disadvantage materials or products manufactured or produced in the southern states; and

Sponsored by: Senator Robert Adley of Louisiana
Senator Terry Burton of Mississippi
Senator Terry Brown of Mississippi

BE IT FURTHER RESOLVED that SSEB is directed to transmit a copy of this resolution to appropriate persons in each SSEB member state including state energy officials and chairs of state legislative energy committees.