DOE Proposes $11.7 Billion Energy Efficiency Standards for Commercial & Industrial Electric Motors

The Department of Energy published a proposed rule establishing energy efficiency standards for commercial and industrial electric motors for which DOE does not already have energy conservation standards. Pursuant to provisions of the Energy Policy and Conservation Act of 1975, DOE “proposes amending the energy conservation standards for electric motors by applying the standards currently in place to a wider scope of electric motors for which DOE does not currently regulate. In setting these standards, DOE is proposing to address a number of different groups of electric motors that have, to date, not been required to satisfy the energy conservation standards currently set out in 10 CFR part 431. In addition, with the exception of fire pump electric motors, the proposal would require all currently regulated motors to satisfy the efficiency levels prescribed” in the National Electrical Manufacturers Association’s MG 1 standards. DOE estimates that these standards would save 7 quads of energy over the first 30 years of implementation, amounting to 0.23 quads in annualized energy savings. DOE estimates the rule’s net present value at between $8.7 billion and $23.3 billion, and puts the total cost of the rule at between $6.1 billion and $11.7 billion. Comments are due on February 4th, 2014.
Rulemaking

Department of the Interior

FWS Rule Allows Renewable Energy Producers to Apply for 30-year Permits to Kill Endangered Bald Eagles

The Fish and Wildlife Service published a final rule allowing renewable energy producers to apply for 30-year incidental take permits for endangered golden eagles and bald eagles, 6 times as long as is allowable under current 5-year incidental take permits. These 30-year permits are only available to wind and solar producers; wind turbines particularly cause a significant number of incidental golden and bald eagle deaths due to spinning turbine blades. “The permits must incorporate conditions specifying additional measures that may be necessary to ensure the preservation of eagles, should monitoring data indicate the need for the measures. This change will facilitate the responsible development of renewable energy and other projects designed to operate for decades, while continuing to protect eagles consistent with our statutory mandates. For a permit valid for 5 years or more, we will assess an application processing fee sufficient to offset the estimated costs associated with working with the applicants to develop site plans and conservation measures, and prepare applications, and for us to review applications. We also will collect an administration fee when we issue a permit and at 5-year intervals.”
Department of Energy
DOE Initiates Rulemaking to Amend Energy Conservation Standards for Lamps
The Department of Energy published a proposed rule initiating a rulemaking and data collection process to consider new and amended energy conservation standards for lamps pursuant to the Energy Policy and Conservation Act of 1975, as amended by the Energy Independence and Security Act of 2007. Currently, there are no energy conservation standards for what DOE terms “general service lamps,” or GSLs. GSLs include “general service incandescent lamps (GSILs), compact fluorescent lamps (CFLs), general service light-emitting diode (LED) lamps, organic light-emitting diode (OLED) lamps, and any other lamps that are used to satisfy lighting applications traditionally served by GSILs. GSLs are used in general lighting applications and account for the majority of installed lighting in the residential sector.” In its proposed rulemaking DOE also announced the release of a Framework Document that “details the analytical approach and preliminary scope of coverage for the rulemaking, and identifies several issues on which DOE is particularly interested in receiving comments.” Comments on the framework document are due on January 23rd, 2014.

Department of Housing and Urban Development
HUD Finalizes Rule Providing Definitive Underwriting Standards for Manual Mortgage Loan Transactions
The Department of Housing and Urban Development published a final rule providing definitive underwriting standards for manually-underwritten mortgage loan transactions. “The effect of the [final rule] is to reduce underwriting losses by strengthening manual underwriting guidelines and thereby increase revenue per loan for FHA as a result of more rigorous underwriting practices that reduce the number of claims. FHA can control costs through risk management practices. The lower costs are a gain to FHA. The target of the document is low net-revenue loans, which have higher claim rates and higher loss rates. HUD expects the net revenue per loan to increase by $2,300 (discounted at 3 percent) primarily because the expected claim amount falls. At a 7 percent discount rate, the increase in net revenue per loan is $1,900. Any gain to the FHA is a transfer. Whether there are net transfers to FHA depends on the impact of the rule on volume and thus the proportion of the current borrowers excluded from receiving a loan. When 10 percent of applicants are excluded, the gain (transfer) to FHA ranges from $35 to $42 million. Under certain circumstances, reducing the riskiest of loans will allow FHA to return additional revenues to the U.S. Treasury.” Comments are due on February 10th, 2014.

Consumer Product Safety Commission
CPSD Direct Final Rule Sets Product Safety Standards for Infant Bath Seats, Cribs, and Toddler Beds
The Consumer Product Safety Commission is requesting comment on a direct final rule in which consumer product safety standards for numerous durable infant or toddler products, including infant bath seats, toddler beds, and full-size baby cribs have been revised and published. This direct final rule is being issued pursuant to section 104(b) of the Consumer Product Safety Improvement Act of 2008 (CPSIA), also known as the Danny Keysar Child Product Safety Notification Act. The purpose of these revised standards is to incorporate by reference more recent versions of the applicable American Society for Testing and Materials (ASTM) standards. The rule is effective on March 24, 2014, unless the Commission receives significant adverse comment by January 8, 2014.

Agencies

Export-Import Bank
Ex-Im Bank Receives Application for $100+ Million to Fund Boeing Exports to the United Arab Emirates
The Export-Import Bank published a notice announcing the receipt of an application for a long-term loan or financial guarantee in excess of $100 million to fund the export of commercial Boeing 777 aircraft to the United Arab Emirates. The imports would be used for “long-haul passenger air service between the United Arab Emirates and destinations throughout the world.” Comments are due on January 6th, 2014.

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