Feature Story

DOE Finalizes $1.3 Billion Energy Efficiency Rule for Microwaves Using New Social Cost of Carbon

The Department of Energy published a final rule implementing energy conservation standards for microwave ovens in standby and off mode. The new standards will cause manufacturers of microwaves to lose up to 7% of industry net present value, or $96.6 million. Using the new estimates for the Social Cost of Carbon, the Agency puts the net benefits of this rule at $2.7 billion, with incremental installed costs of up to $1.3 billion. These standards are pursuant to the Energy Policy and Conservation Act of 1975, which gives the Department of Energy (DOE) the authority to set standards that “shall be designed to achieve the maximum improvement in energy efficiency that DOE determines is technologically feasible and economically justified.” The DOE has determined that it is unable to set a standard for active mode “because there is currently no test procedure… for microwave oven active mode.” This rule separates microwave ovens into two categories—countertop convection and over-the-range convection microwave ovens—and sets different standards for both. This differentiation is due to features in over-the-range microwaves “such as additional exhaust fan motors, convection fan motors and heaters, and additional lights… require a larger power supply.”

In the News

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House passes bill that could exempt trillions in foreign derivatives trades from US regulation, Washington Post
US agencies announce guide for teaching seniors how to avoid financial exploitation, Washington Post
Cass Sunstein on how government regulations could be a lot simpler, Washington Post
Regs czar nominee vows to slash onerous rules, The Hill
EPA nominee in limbo as Republicans press for documents, The Hill
Regulators Question Banks on Business Lending Risks, Wall Street Journal
House votes to require single set of offshore swaps rules, The Hill
Regulator wants more time to finish cross-border swaps rule, The Hill
House votes to require single set of offshore swaps rules, The Hill
FTC sides with Uber in DC taxi fight, The Hill
FDIC, consumer watchdog launch tool for elderly to sniff out scams, The Hill
Lawmakers call pursuit of gainful employment regs ’disgraceful,’ ‘reckless’, The Hill
Giancarlo Said to Be Vetted for Republican CFTC Commissioner Job, Bloomberg
OCC Tells Banks to Start Planning Safe Phase-out of Swaps Trades, Bloomberg
SEC Puts Exchanges in Sights Charging CBOE Regulatory Lapses, Bloomberg
Regulatory czar nominee pledges to speed up review process, Federal News Radio
Obama’s Pick for Regulatory Chief Survives Gentle Grilling, Government Executive
Nominee promises speedier regulation review, Federal Times
Regulatory Nominee Vows to Speed Up Energy Reviews, New York Times
House passes bill that would exempt foreign trades, Examiner
Energy Dept. payments to ex-congresswoman questioned, USA Today
Boeing, FAA defend approval of 787 Dreamliner, Reuters

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Securities experts advise SEC on capital access for small businesses, Washington Post
Bogle Says SEC’s Money-Fund Plan Doesn’t Go Far Enough, Bloomberg
House Passes Bill to Limit CFTC’s Cross-Border Swaps Authority, Bloomberg
Regulatory nominee warned about ‘burdensome’ rules, Politico
8 former mutual fund directors settle SEC claims over value setting in 5 Morgan Keegan funds, Washington Post
Supreme Court issues new anti-demonstration regulation after law declared unconstitutional, Washington Post
In Fight Over Bank Rules, Regulator Calls for Compromise, New York Times
Safety, corporate interests at stake in toxic chemical reform fight, The Hill
Survey: Federal export rules too complex for small businesses, The Hill
USDA racing to provide validated test for GMO wheat, Reuters
Senator Warren calls for tough cross-border swap rules, Reuters

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Dodd-Frank repeal ‘ain’t gonna happen’, The Hill
Regulators May Seek Currency Rate Oversight, Bloomberg TV
GOP lawmakers: Administration shouldn't use climate change to justify endangered species, The Hill
Rail-Safety Standards to Be Updated to Spur Faster Trains, Bloomberg
CFPB’s Cordray on Financial Education, Regulation, Bloomberg TV
Blankfein Met With SEC’s White Two Days After Money Funds Vote, Bloomberg
FDIC’s Hoenig Cautions Banks Against Seeking 20% Equity Return, Bloomberg
Obama Tells Keystone Foes He Will Unveil Climate Measures, Bloomberg
U.S. Agencies to Develop Standards for Bed Rails, New York Times
Obama wants government to free up more wireless spectrum, Reuters

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White House, EPA at odds over savings produced by emissions regulations, The Hill

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Trucking industry wants to jam brakes on looming driver regulations, The Hill
Want a Law Job? Learn the Health-Care Act, Wall Street Journal
Will Companies Stop Offering Health Insurance Because of the Affordable Care Act?, Wall Street Journal

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Automakers Pressed to Sell No-Emission Cars to Reluctant Buyers, Bloomberg
Obamacare Rollout Seen Slowed by Confusion Over Benefits, Bloomberg
Rodgin Cohen on Banking Regulations, Market Outlook, Bloomberg TV
Mining Firms Face New Regulator Scrutiny Amid Deal Probes, Bloomberg
Supreme Court lets U.S. regulators challenge generic-drug deals, Washington Post
The Koch brothers take on enviro groups over mine, Washington Post
FWS Proposes Rule Delisting Gray Wolves from List of Endangered and Threatened Wildlife
The Fish and Wildlife Service published a proposed rule that would remove the gray wolf from the List of Endangered and Threatened Wildlife under the Endangered Species Act. “In this proposed rule we consider whether and to what extent gray wolves should be listed in the contiguous United States and Mexico. Our analysis begins with an evaluation of the current C. lupus listed entity (Figure 1), with a focus on current taxonomic information and statutory and policy requirements under the Act. Consistent with our 5-year review, we conclude that the current C. lupus listed entity is not a valid species under the Act and now propose to remove this entity from the List (see Evaluation of the Current C. lupus Listed Entity). However, our 5-year review further recommends that we consider whether there are any valid species, subspecies, or DPSs of gray wolf that are threatened or endangered in the contiguous United States and Mexico. Thus, in this rule we consider whether the current C. lupus listed entity is part of a valid species or includes any valid subspecies, or DPSs of gray wolf that warrant protections under the Act. Because we are considering whether protections need to remain in place for any of the gray wolves that are included in the current C. lupus listed entity, we are focusing our evaluation on valid listable entities (i.e., C. lupus and subspecies and potential DPSs of C. lupus) with ranges that are at least partially within the contiguous United States or Mexico.” Comments are due on September 11th.

BLM Reopens Comment Period on Oil Shale Rule Amending Royalty Rates
The Bureau of Land Management announced that it is reopening the comment period on a proposed rule amending the Bureau’s royalty system and environmental protection requirements for oil shale production on BLM-managed public lands. “In this rulemaking proceeding, the BLM will consider several options for amending the current royalty rates for commercial oil shale production... The proposed revisions are intended to clarify specific provisions, to ensure that the royalty rate provides a fair return to the American taxpayer while encouraging the development of Federal oil shale resources, and that adequate measures are in place to protect the environment... The BLM will particularly consider whether a single royalty rate or rate structure should be set in advance in regulation to provide greater certainty to potential lessees or whether some administrative flexibility may be retained to make adjustments to royalty terms after more is known about the costs and resource impacts associated with emerging oil shale technologies, whether future applications to lease should include specified resource-protection plans, and whether other aspects of the regulations should be clarified.” Comments are due on July 15th.
Environmental Protection Agency
EPA Proposes Amendments to the Renewable Fuel Standards Redefining “Cellulosic Biofuel”
The Environmental Protection Agency published a proposed rule amending three different sets of regulations all relating to renewable fuel standards (RFS). This proposal makes both substantive and technical amendments to the RFS, including a redefinition of which fuels classify as cellulosic biofuels. “EPA is proposing to classify all of the biofuel as cellulosic in the fuel pathways proposed today, where the cellulosic material makes up a predominant percentage of the organic material from which the fuel is produced. This approach will avoid the administrative and technical burden on producers and EPA of trying to determine the specific amounts of cellulosic and non-cellulosic materials in the specified high-cellulosic feedstock sources, removing potential difficult and potentially time-consuming and expensive impediment to expansion of the cellulosic biofuel industry. The growth in cellulosic biofuel volumes promoted by today’s proposal is expected to result in greater reductions in GHGs, as all of the biofuel qualified as cellulosic would have to achieve the minimum 60% reduction in GHG emissions specified in the Act. EPA’s application of this approach to the specific fuel pathways and feedstocks discussed in this proposal is intended to ensure that cellulosic materials are the predominant portion of the biogenic materials used to produce cellulosic biofuel. This approach avoids administrative, technical and cost burdens on EPA and industry and promotes the volume and greenhouse gas objectives of Congress. EPA proposes that this is a reasonable interpretation of the definition of cellulosic biofuels, and invites comment on this approach.” Comments are due on July 15th.

Occupational Safety and Health Administration
OSHA Publishes Direct Final Rule Updating Workplace Signage Standards
The Occupational Safety and Health Administration published a direct final rule and an identical proposed rule revising its signage requirements to include the most recent American National Standards Institute (ANSI) “standards on specifications for accident prevention signs and tags.” The previous version of OSHA’s general industry and construction standards required employers to comply with ANSI Z53.1-1967, Z35.1-1968 and Z35.2-1968; the final rule allows employers to choose between the earlier “ANSI standards or the latest versions of them. The latter compliance option will allow employers to update their signage based on the newest ANSI consensus standards without violating OSHA’s requirements. In addition, since employers will not have to update their signage [to the newer ANSI standards], there is no additional compliance cost or burden resulting from this rulemaking.” Comments on the direct final rule are due on July 15th.

Office of Personnel Management
OPM Proposes Rule Recognizing Flag Benefits for Fallen Federal Civilian Employees
The Office of Personnel Management published a proposed rule “to implement the Civilian Service Recognition Act of 2011” passed by Congress. This rule allows agencies to recognize those civilian employees who “die of injuries incurred in connection with their employment as a result of criminal acts, acts of terrorism, natural disasters, or other circumstances as determined by the President.” Executive agencies would be allowed to furnish flags to their employees who have died on or after the legislation’s effective date, December 20, 2011. Comments are due on August 16th.

Department of Transportation
Maritime Admin. Finalizes Rule Implementing Retrospective Review of Regulations
The Maritime Administration published a final rule as a part of its retrospective review of regulations pursuant to Executive Orders 13563 and 13610. EO 13563 requires executive branch agencies “to promote retrospective analysis of rules that may be outdated, ineffective, insufficient, or excessively burdensome. Accordingly, the Maritime Administration identified its regulations governing transactions involving documented vessels and other maritime interests for improvement consistent with the President’s Order. The regulations were deemed to provide out-of-date information and citations. By updating agency regulations, this rulemaking will make the regulatory program more effective and less burdensome on the public.”

Department of Health and Human Services
HHS Proposes PPACA Rule Establishing Financial Integrity, Oversight Standards for Exchanges
The Department of Health and Human Services published a proposed rule establishing oversight and financial integrity standards for qualified health plan (QHP) issuers in federally-facilitated healthcare exchanges. “This proposed rule sets forth oversight and financial integrity standards with respect to Exchanges, QHP issuers in
Federally-facilitated Exchanges (FFEs), and States with regard to the operation of risk adjustment and reinsurance programs. It also proposes additional standards for special enrollment periods, survey vendors that may conduct enrollee satisfaction surveys on behalf of QHP issuers in Exchanges, issuer participation in an FFE, and States’ operation of a SHOP. Finally, it proposes additional standards for agents and brokers, geographic rating areas, and guaranteed availability and renewability.” Comments are due on July 19th.