DOE Uses Updated SCC in Proposed Energy Efficiency Standards for Commercial Refrigeration Equipment

The Department of Energy published a proposed rule setting energy conservation standards for commercial refrigeration equipment pursuant to the Energy Policy and Conservation Act (EPCA), after undergoing an unusually-long 560 days of review at the Office of Information and Regulatory Affairs. The EPCA prescribes energy conservation standards for various consumer products and certain commercial and industrial equipment, including commercial refrigeration equipment. At the proposed levels, “the percentage of customers who experience net benefits or no impacts ranges from 59 to 100 percent, and customers experiencing a net cost range from 0 to 41 percent,” according to DOE’s analysis. “Under the proposed standards, DOE expects the industry net present value [for manufacturers of commercial refrigeration equipment] to decrease by 3.95 percent to 7.97 percent. Total industry conversion costs are expected to total $87.5 million.” From 2017 – 2046, DOE expects commercial refrigeration customers to save between $1.606 billion (at a 7-percent discount rate) to $4.067 billion (at a 3-percent discount rate) in energy costs resulting from these standards. Using the recently-updated SCC values, DOE tallies $75 million in annualized benefits from CO$_2$ reductions. Comments are due on November 12th.

In the News

Congress & Regulatory Reform
- Senators decry regulators’ turf war, The Hill
- GOP report cites ‘culture of secrecy and evasion’ at EPA under Jackson, The Hill
- U.S. House panel probes SEC’s use of outdated technology, Reuters

Energy & Environment
- Regs scholars want feds to review carbon cost estimate, The Hill
- House to take aim at fracking regulations, The Hill
- Enviro groups press Supreme Court to revive major EPA air pollution rule, The Hill
- Industry to EPA on climate regs: Let’s talk, The Hill
- Nuke chief: Regulators moving ‘promptly’ to restart Yucca review, The Hill
- Sens. Heitkamp, Hoeven seek North Dakota exemption from Interior ‘fracking’ rules, The Hill

Financial Markets & Housing
- Here’s what Larry Summers would do at the Fed, Washington Post
- Why Obama might tap Summers for Fed despite harsh criticism from left, Washington Post
- White House considers top female Treasury official for Federal Reserve post, sources say, Washington Post
- Payday lenders move online as regulators crack down, Miami Herald
- Cordray: Start date for new mortgage rules is firm, The Hill
- CFTC signals it may tighten rules on high-speed trading, Washington Post

Opinion
- More Resources for Regulatory Review Would Benefit Consumers
- A Dodd-Frank capitulation on mortgage down payments
- Obamacare navigators are necessary
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- The Most Important Economist You’ve Never Heard Of
- SEC Decides to Let Lehman Stay Dead
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- Morgan Stanley Now Obeying Rules, Reducing Risks, Eating Cupcakes

Marketplace of Ideas

Administrative Conference of the United States
- EVENT: Social Media in Rulemaking Workshop, September 17th 1:00pm – 4:30pm

American Action Forum
- Week in Regulation, Sam Batkins

Center for Effective Government
- GAO Confirms Public Interest Group Criticisms of Controversial Poultry Inspection Rule, Katie Greenhaw
• EPA Scientists Deem Benzo(a)pyrene a Cancer-causing Chemical, Ronald White
• EPA Withdraws Blocked Draft Chemical Rules, Access to Health Risk Information to Suffer, Ronald White

Center for Progressive Reform
• Obama Deregulatory Proposal on Poultry Gets Slammed by GAO: Food Safety in Jeopardy and Workers Ignored, Rena Steinzor & Matt Shudtz
• Energy Efficiency: Too Important for Political Stasis, Rena Steinzor
• GHG Trading and Co-Pollutants: Expanding the Focus, Alice Kaswan

Commodity Futures Trading Commission
• CFTC Publishes Concept Release on Risk Controls and System Safeguards for Automated Trading Environments

Competitive Enterprise Institute
• CEI’s Battered Business Bureau: The Week in Regulation, Ryan Young

Federal Regulations Advisor
• APA Notice, Public Comment & Procedural Rules: Learning from FCC Mistakes, Leland Beck
• Monday Morning Regulatory Review – 9/9/13, Leland Beck

Federalist Society
• Toxic Sand? OSHA’s challenge in regulating crystalline silica, Susan E. Dudley
• PODCAST: Is EPA's NAAQS Process Inexorably Monotonic?

The George Washington University Regulatory Studies Center
• Public Interest Comment on Reconsideration of the Department of Energy’s Final Rule: Energy Conservation Standards for Standby Mode and Off Mode for Microwave Ovens, Susan E. Dudley, Sofie E. Miller & Brian F. Mannix
• The Social Cost of Forgoing Public Participation in the SCC, Susan E. Dudley, Sofie E. Miller & Brian F. Mannix

Government Accountability Office
• EPA Should Take Steps to Improve Its Oversight of Conditional Registrations, Jose Gomez
• GAO's Oversight of the Troubled Asset Relief Program Activities, Angela Clowers

The Mercatus Center
• Draft Technical Guidance for Assessing Environmental Justice in Regulatory Analysis, James Broughel
• When Will They Listen? Public Comment and Highly Salient Regulations, Stuart Shapiro

US regulators move toward strict oversight on high-speed trading, with options for rules, Washington Post
Life on Wall Street Grows Less Risky, Wall Street Journal
U.S. regulators nearing deadline on systemic tag for Prudential, Reuters
Regulators turn focus to high-speed traders, The Hill
Bank Mistakes Will Bring Tougher Penalties, OCC’s Curry Says, Bloomberg
Debt Collectors Get More U.S. Consumer Bureau Oversight, Bloomberg
CFTC Seeks Comment on Potential High-Speed Trading Curbs, Bloomberg
FDIC Adopts Rule Change for U.S. Bank Branches in U.K., Bloomberg
Derivatives watchdog hones in on speed traders, Reuters
CFTC Readyies Vote on Speculation Rule, Wall Street Journal
Q&A: Richard Cordray on what’s next for the consumer protection bureau, Washington Post
Justice Dept and bank regulators discuss banking guidance for marijuana industry, Washington Post
FDIC not insuring deposits in foreign branches of U.S. banks, The Hill
Justice working with banks on how to do business with pot sellers, The Hill

GOP chairman vows to lift ‘yoke of Dodd-Frank’ from credit unions, The Hill
FSOC Says It Continued Discussion of Non-Bank Financial Firms, Bloomberg
U.S. Officials in Talks to Allow Banking for Pot Business, Bloomberg
Volcker Rule to Curb Bank Trading Proves Hard to Write, Wall Street Journal

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USDA pilot program fails to stop contaminated meat, Washington Post
Report: Pilot USDA inspection program failed to catch tainted pork, The Hill
Jarrett pledges administration support to finish silica rule, The Hill
EPA pulls back chemical regs, The Hill
IRS issues rules for employer mandate under ObamaCare, The Hill
Safety Regulators Seek Safety Changes to Rail Tank Cars, Wall Street Journal
USDA cracks down on Internet pet sales to ensure animals are healthy when purchased, Washington Post
FDA pushes comment deadline for menthol cigarette regs, The Hill
Pressure mounts on USDA to scrap poultry inspection regs, The Hill
EPA assailed for withdrawing rules on chemical safety, The Hill
Dangers From Compounding Pharmacies Persist, Wall Street Journal
Enviro groups cite ‘egregious’ delays in chemical safety regs, The Hill
Feds go after online ‘puppy mills’, The Hill
FDA to Steer Patients to Long-Acting Opioid Alternatives, Bloomberg

Business
Feds' new disability-hiring rule could broadly affect businesses, some worry, Cleveland Plain Dealer
OSHA orders casino giant MGM Resorts to pay, rehire whistleblower who reported SEC breach, Washington Post
Consumer groups urge administration to complete airline passenger

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Department of Energy

DOE Proposes Energy Efficiency Standards for Walk-In Coolers & Freezers after 707 Days at OIRA

The Department of Energy published a proposed rule setting energy conservation standards for walk-in coolers and freezers pursuant to the Energy Policy and Conservation Act (EPCA), after undergoing an unusually-long 707 days of review at the Office of Information and Regulatory Affairs. The EPCA prescribes energy conservation standards for various consumer products and certain commercial and industrial equipment, including walk-in coolers and walk-in freezers. While the average life-cycle cost savings for consumers resulting from these standards are positive, DOE’s analysis shows that “the percentage of customers who experience net benefits or no impacts ranges from 55 to 100 percent, and the percentage of customers experiencing a net cost ranges from 0 to 45 percent.” Over the first 30 years of implementation, DOE estimates that energy cycle savings resulting from this rule will total 5.39 quadrillion British thermal units. Over the same time period, consumers are expected to bear a net benefit between $8.6 billion and $24.3 billion as a result of reduced energy consumption. “Total industry conversion costs estimated to be $51 million are assumed to be incurred in the years prior to the start of compliance with the standards. Based on DOE’s interviews with the manufacturers of walk-in coolers and walk-in freezers, DOE does not expect significant loss of employment.” Comments are due on November 12th.

Federal Deposit Insurance Corporation

FDIC Publishes Interim Final Rule Revising Risk-Based and Leverage Capital Requirements

The Federal Deposit Insurance Corporation published an interim final rule “that revises its risk-based and leverage capital requirements for FDIC-supervised institutions… The interim final rule implements a revised definition of regulatory capital, a new common equity tier 1 minimum capital requirement, a higher minimum tier 1 capital requirement, and, for FDIC-supervised institutions subject to the advanced approaches risk-based capital rules, a supplementary leverage ratio that incorporates a broader set of exposures in the denominator. The interim final rule incorporates these new requirements into the FDIC’s prompt corrective action (PCA) framework. In addition, the interim final rule establishes limits on FDIC-supervised institutions’ capital distributions and certain discretionary bonus payments if the FDIC-supervised institution does not hold a specified amount of common equity tier 1 capital in addition to the amount necessary to meet its minimum risk-based capital requirements. The interim final rule amends the methodologies for determining risk-weighted assets for all FDIC-supervised institutions. The interim final rule also adopts changes to the FDIC’s regulatory capital requirements that meet the requirements of section 171 and section 939A of the Dodd-Frank Wall Street Reform and Consumer Protection Act.” Comments are due November 12th.

Environmental Protection Agency

EPA Seeks Comment on Petition to Reconsider NESHAPs Rule for Internal Combustion Engines

The Environmental Protection Agency is reconsidering its January, 2013 amendments to the national emission standards for hazardous air pollutants for stationary reciprocating internal combustion engines and the standards of performance for stationary internal combustion engines. The final rule included alternative testing options for certain large spark ignition (generally natural gas-fueled) stationary reciprocating internal combustion engines, management practices for a subset of existing spark ignition stationary reciprocating internal combustion engines in sparsely populated areas and alternative monitoring and compliance options for the same engines in populated areas. “Subsequently, the EPA received three petitions for reconsideration of the final rule. The EPA is announcing reconsideration of and requesting public comment on three issues raised in the petitions for reconsideration, as
detailed in the Supplementary Information section of this notice of reconsideration. The EPA plans to issue a final decision on these issues as expeditiously as possible. The EPA is seeking comment only on the three issues. The EPA will not respond to any comments addressing any other issues or any other provisions of the final rule or any other rule.” Comments are due on November 4th.

**Department of Justice**

**ATF Proposes Amendments to Regulations for Machine Guns, Destructive Devices, and Other Firearms**
The Alcohol, Tobacco, Firearms, and Explosives Bureau (ATF) published a proposed rule concerning the make or transfer of a firearm pursuant to the National Firearms Act (NFA). “The proposed changes include: Defining the term “responsible person,” as used in reference to a trust, partnership, association, company, or corporation; requiring “responsible persons” of such legal entities to submit, inter alia, photographs and fingerprints, as well as a law enforcement certificate, when the legal entity files an application to make an NFA firearm or is listed as the transferee on an application to transfer an NFA firearm; modifying the information required in a law enforcement certificate, so that the certificate no longer requires a statement from the certifying official that he or she has no information indicating that the maker or transferee of the NFA firearm will use the firearm for other than lawful purposes; and adding a new section to ATF's regulations to address the possession and transfer of firearms registered to a decedent. The new section would clarify that the executor, administrator, personal representative, or other person authorized under state law to dispose of property in an estate may possess a firearm registered to a decedent during the term of probate without such possession being treated as a “transfer” under the NFA. It also would specify that the transfer of the firearm to any beneficiary of the estate may be made on a tax-exempt basis.” Comments are due on December 9th.

**Food and Drug Administration**

**FDA Extends Comment Period for Potential Menthol Cigarette Regulations**
The Food and Drug Administration is extending the comment period for its July 24th advance notice of proposed rulemaking to obtain information on the potential regulation of menthol in cigarettes. The Food Drug and Cosmetic Act (FD&C Act) gives FDA the authority to regulate tobacco products. “This includes authority to adopt a tobacco product standard under section 907 of the FD&C Act if the Secretary of HHS finds that a tobacco product standard is appropriate for the protection of public health and includes authority to amend an existing product standard. In making such a finding, the Secretary of HHS must consider scientific evidence concerning: (1) The risks and benefits to the population as a whole, including users and nonusers of tobacco products, of the product standard; (2) the increased or decreased likelihood that existing users of tobacco products will stop using such products; and (3) the increased or decreased likelihood that those who do not use tobacco products will start using such products.” FDA is seeking comments on whether the Agency should consider a tobacco product standard for menthol in menthol cigarettes, whether menthol standards are requisite for products other than cigarettes, and whether FDA should restrict the advertising and promotion of menthol tobacco products. Comments are now due November 22nd.

**Internal Revenue Service**

**IRS Proposes Guidance to Providers of Minimum Essential Health Coverage on Paperwork Requirements**
The Internal Revenue Service published a proposed rule “providing guidance to providers of minimum essential health coverage that are subject to the information reporting requirements of section 6055 of the Internal Revenue Code (Code), enacted by the Affordable Care Act. Health insurance issuers, certain employers, and others that provide minimum essential coverage to individuals must report to the IRS information about the type and period of coverage and furnish related statements to covered individuals. These proposed regulations affect health insurance issuers, employers, governments, and other persons that provide minimum essential coverage to individuals.” Comments are due on November 8th.

**Department of Homeland Security**

**Coast Guard Proposal will Require Vessels to Maintain Safety and Environmental Management System**
The U.S. Coast Guard announced a forthcoming proposed rule that will require vessels engaged in activities in the Outer-Continental Shelf (OCS) “to develop, implement, and maintain a vessel-specific Safety and Environmental Management System (SEMS) that incorporates the management program and principles of the American Petroleum Institute's Recommended Practice for Development of a Safety and Environmental Management Program for Offshore Operations and Facilities, Third Edition, May 2004 (API RP 75). The Coast Guard intends for this SEMS to be developed and implemented by the vessel's owner or operator and compatible with a
The designated lease operator's SEMS required under Bureau of Safety and Environmental Enforcement (BSEE) regulations. The Coast Guard seeks comments on whether a SEMS that incorporates the management program and principles of API RP 75 is appropriate for vessels engaged in OCS activities, would reduce risk and casualties, and improve safety on the OCS. Comments should address the feasibility of implementing a SEMS that incorporates API RP 75, the compatibility with BSEE SEMS regulations, potential methods of oversight, safety issues, costs and regulatory burdens, and other issues of concern to the regulated community and general public. The Coast Guard would use such comments to assist in developing these new regulations.” Comments are due on December 9th.

### Agencies

**Nuclear Regulatory Commission**

**NRC Seeks Comments on Forthcoming Proposed “Waste Confidence” Rule for Spent Nuclear Fuel**

The Nuclear Regulatory Commission is seeking comments on its forthcoming proposed “Waste Confidence” rule, which will amend NRC’s regulations pertaining to the “environmental impacts of the continued storage of spent nuclear fuel beyond a reactor's licensed life for operation and prior to ultimate disposal.” In addition to seeking comment, the Commission is also holding public meetings on its forthcoming proposed amendments. “The proposed Waste Confidence rule would amend the NRC's regulations pertaining to the environmental impacts of the continued storage of spent nuclear fuel beyond a reactor's licensed life for operation and prior to ultimate disposal. The DGEIS [draft generic environmental impact statement] forms the regulatory basis for the proposed amendments in the Waste Confidence rule. The DGEIS examines the potential environmental impacts that could occur as a result of the continued storage of spent nuclear fuel at at-reactor and away-from-reactor sites until a repository is available. The DGEIS provides generic environmental impact determinations that would be applicable to a wide range of existing and potential future spent fuel storage sites. While some site-specific information is used in developing the generic impact determinations, the Waste Confidence DGEIS does not replace the environmental analysis, performed pursuant to the National Environmental Policy Act, associated with any individual site licensing action.”

**Environmental Protection Agency**

**EPA Announces Nov. 20th Public Teleconference of the Hydraulic Fracturing Research Advisory Panel**

The Environmental Protection Agency’s Science Advisory Board (SAB) announced “a public teleconference of the Hydraulic Fracturing Research Advisory Panel to receive written and oral comments from the public on new and emerging information related to hydraulic fracturing and drinking water resources.” The teleconference will take place on November 20th from 12:00pm – 5:00pm. “In response to public concern, in August 2010 Congress urged EPA to study the relationship between hydraulic fracturing and drinking water. In March 2013, the SAB Staff Office formed an SAB panel to provide individual expert advice for the EPA's Office of Research and Development (ORD) on its ongoing research on the potential impacts of hydraulic fracturing on drinking water resources.”

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