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HOUSE JOINT RESOLUTION NO. 227

Offered January 20, 2012

Memorializing the President of the United States and the Congress of the United States to adopt a national energy policy that supports the responsible exploration for and development of all of this nation's diverse energy resources.

Patron—Poindexter

Referred to Committee on Rules

WHEREAS, economic recovery, the creation of millions of new jobs in the Commonwealth and across the nation, effective global competitiveness for Virginia and American businesses, and our national security depend upon developing and using all of our nation's diverse energy resources; and

WHEREAS, securing abundant supplies of affordable and reliable energy is vital to our Commonwealth's and our Nation's future prosperity; and

WHEREAS, expanding exploration and development of the oil and natural gas resources available off the Atlantic coast is essential to reducing our dependence on foreign sources of oil and to meeting our economy's transportation demands, and that development depends on the federal lease sale process; and

WHEREAS, the U.S. Department of the Interior has proposed an Outer Continental Shelf Leasing Plan for 2012 through 2017 that does not include any proposed lease sales on the Atlantic coast, not even off the coast of Virginia, where lease sales previously approved and for which deep and consistent bipartisan support exists at all levels of government and among Virginia's citizens, and where it is estimated there might be more than 100 million barrels of oil, in addition to natural gas resources, the development of which could create more than 15,000 Virginia jobs; and

WHEREAS, the U.S. Environmental Protection Agency (EPA) has developed and proposed numerous significant new rules, regulations, and guidelines, including the Clean Water Act, Section 316 (b) rule; the Cross State Air Pollution Rule; the Cooling Water Intake Structures Rule; Title I of the Clean Air Act, Utility MACT Standards and new Boiler MACT Standards; NAAQS for Sulfur Dioxide and Ozone; and the Coal Combustion Residuals (CCR) rule; and

WHEREAS, compliance with this array of new regulatory requirements, separately and together, particularly in the short time-frames provided, will be extraordinarily expensive, directing available business capital to regulatory compliance rather than economic growth; and

WHEREAS, the EPA has not considered the combined impact of these new rules and regulations on citizens, states, and businesses, which could be devastating; and

WHEREAS, if compliance can be accomplished at all, it is certain to increase the cost of electricity to residential, commercial, and industrial users at a time when no citizen or business can afford to pay more for energy without cutting back on other expenses, inhibiting economic growth, and posing a serious risk to the reliability of our electric grid; and

WHEREAS, newly promulgated EPA water regulations, including the Chesapeake Bay TDML, are predicted to cost more than \$7 billion; and

WHEREAS, the EPA's array of new regulatory proposals on so many fronts at the same time creates an unpredictable regulatory environment and uncertainty in the marketplace that (i) prevents investment in development of our energy resources that otherwise could spur economic growth, (ii) makes American and Virginia businesses less competitive, and (iii) risks damaging a fragile economic recovery, with some studies showing up to 1.44 million potential jobs lost, 50,000 of those in Virginia alone; and

WHEREAS, since 2003, the Commonwealth has eliminated impairment in more than 1,500 miles of rivers, 17,000 acres of lakes, and 300 square miles of estuary and significantly improved air quality with reductions in sulfur dioxide of more than 45 percent, reductions in oxides of nitrogen of 40 percent, and decline in ozone levels of 20 percent; and

WHEREAS, current regulations and a continuation of efforts already underway will result in a continuation of the long-term trend of improving air and water quality, and those improvements are best assured through the development of new technologies, as opposed to onerous new federal regulatory regimes; and

WHEREAS, the EPA is also reviewing and considering new regulations regarding the practice of hydraulic fracturing used to recover natural gas from horizontal wells, often into tight shale formations that hold previously unavailable reserves of natural gas, to supply the nation for many decades at low cost, a practice that has been in use for many years and is well within the regulatory expertise of the States, pursuant to delegation by the EPA of Clean Water Act responsibilities; and

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59 WHEREAS, the National Forestry Service has proposed a park management plan for the George
60 Washington National Forest that would prohibit horizontal drilling to access the natural gas reserves
61 available beneath the forest, even though horizontal drilling would allow the development of the
62 resource with fewer wells and far less surface disruption; and

63 WHEREAS, the President has unilaterally halted U.S. Department of Energy development of the
64 planned national repository for spent nuclear fuel at Yucca Mountain, a repository that was required by
65 federal law to be in place by 1998, and the Department of Energy continues to collect the fees
66 authorized by the 1982 Nuclear Waste Policy Act to fund the required repository, fees that are paid by
67 utilities that own nuclear power generation facilities and recovered from the purchasers of the electricity
68 generated by those facilities; and

69 WHEREAS, the President sought to postpone approval of the Keystone pipeline project, a project to
70 transport oil extracted in Canada to the Gulf of Mexico for environmentally responsible refining and
71 marketing, a project that is expected to create 13,000 construction jobs and 7,000 jobs in manufacturing
72 for Americans in several states and generate substantial revenues to support state and local needs; and

73 WHEREAS the foregoing is an incoherent, indefensible, and unsustainable energy policy that risks
74 our state's and our nation's global competitiveness and our national security; and

75 WHEREAS, these federal activities are driving up the cost of energy unnecessarily and unnaturally in
76 a nation that has abundant supplies of diverse energy resources at a time when economic recovery and
77 job creation should be priority one; now, therefore, be it

78 RESOLVED by the House of Delegates, the Senate concurring, That the President of the United
79 States and Congress of the United States be urged to adopt a national energy policy that supports the
80 responsible exploration for and development of all of this nation's diverse energy resources in order to
81 secure abundant supplies of affordable, reliable energy for our economic recovery and future prosperity;
82 and, be it

83 RESOLVED FURTHER, That the Congress is urged to:

84 1. Provide statutory oversight and direction to implement a responsible energy policy in light of the
85 Executive Branch's failure to implement such a policy;

86 2. Require that the EPA prepare and provide a cumulative regulatory impact assessment of all of the
87 major regulations under consideration under the CAA and CWA, including the cumulative effect of all
88 of these regulations on the economy, jobs, and energy and American economic competitiveness, drawing
89 on the expertise of a variety of relevant federal agencies; and

90 3. Provide additional oversight over the EPA, considering the current encroachment of state
91 enforcement powers and duties, air quality and water quality policy planning, and economic growth
92 impacts due to uncertainty; and, be it

93 RESOLVED FINALLY, That the Clerk of the House of Delegates transmit copies of this resolution
94 to the Speaker of the United States House of Representatives, the President of the United States Senate,
95 the members of the Virginia Congressional Delegation, and the legislatures of the states so that they
96 may be apprised of the sense of the General Assembly of Virginia in this matter.