



**Vincent L. Griffin**

**Vice President**

**Environmental and Energy Policy**

**Indiana Chamber of Commerce**

**317/264-6881**

**[vgriffin@indianachamber.com](mailto:vgriffin@indianachamber.com)**



# **2010 Legislative Review**

## **Timeline**

### **800 Pound Gorillas**

### **Environmental and Energy Issues**

### **Energy Status**



**January 5, 2010**

**Legislative Session Began**

**March 14, 2010 (or before)**

**Legislative Session Ends**

**808 Bills Introduced**

**239 Bills Alive at Mid-Session**

**Governor signed 115**



# **Deadlines**

**February 3, 2010**

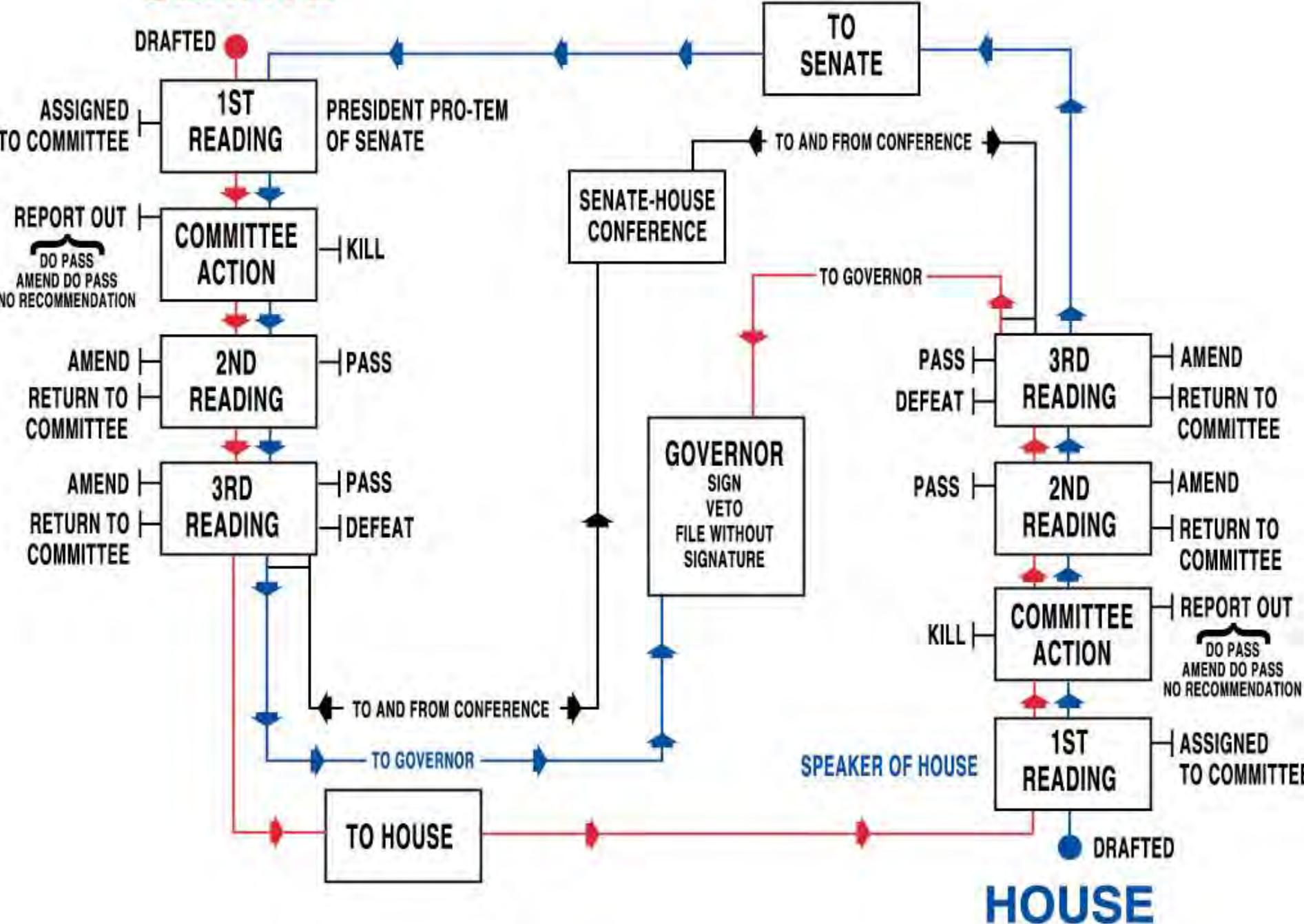
**First House Deadline**

**March 3, 2010**

**Second House Deadline**

**Conference Committees**

# SENATE





# 800 Pound Gorillas

**2010 November Election**

**Census – redraw districts**

**State Revenues**

**1, 2 and 3% Property Tax Caps**

**Unemployment Trust Fund**

**Local Government Reform**

**Ethics Reform**

# Election 2010 Impact

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## ***Declining State Revenues***

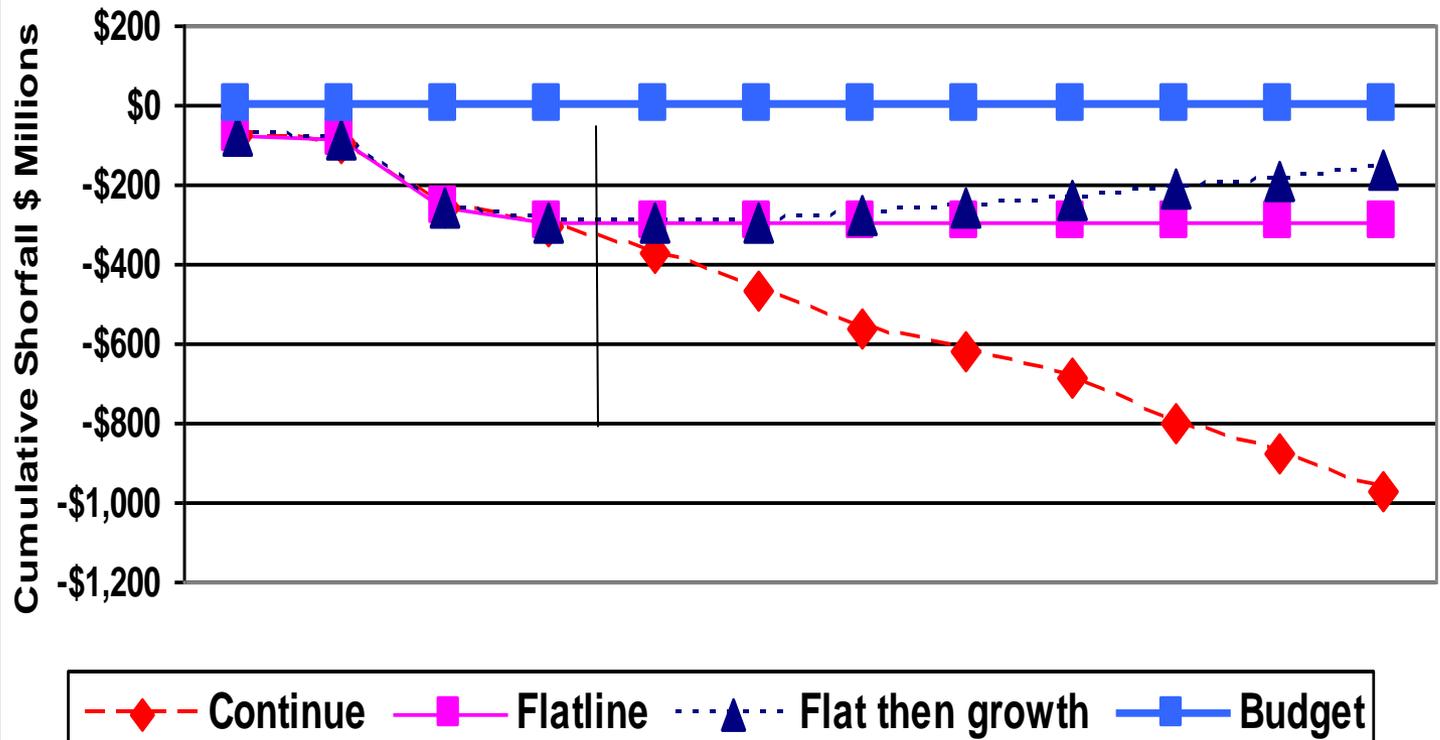
Q: How low can they go?

A: Nobody knows, but the answer will affect Statehouse activities and priorities.





# Indiana 2010 Budget Scenarios July '09 to June '10





## ***1-2-3% Property Tax Caps in the State Constitution***

### **SJR 1**

**Year 1 (2008): passed S 40-7 and H 79-20**

**Year 2 (2009): not voted on in House**

**Year 3 (2010): Passed**

**November 2010 election - referendum**



## ***Unemployment Trust Fund***

- ⑩ Ran out of money in November 2008; currently borrowing money from federal government.
- ⑩ \$1,500,000,000 borrowed from federal government by end of 2009.
- ⑩ SB 23 provided a one-year moratorium but...



The image shows a vertical strip of the Indiana state flag on the left side of the slide. The flag features a blue field with a yellow torch in the center, surrounded by yellow stars. The word "INDIANA" is written in yellow at the top. Below the torch, there are white stars on a blue background, and at the bottom, there are red and white stripes.

# Local Government Reform

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- Reform Township Government - Referendum or Legislation?
- Numerous Options:
  - Anti-nepotism
  - Conflict of interest
  - Better reporting/transparency
- Next year??

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# Ethics Reform

## Indiana Newspapers Crusade (26)

**HB1001 - Lobbyists; campaign contributions. (Bauer)**

### Conditions:

- Legislators → One-year “time-out”**
- Executive Branch → One-year “time-out”**
- Reportable expense from \$100 to \$50**

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# Firearms in locked vehicles

**HB 1065** Prohibits an employer from restricting an employee from bringing a gun on the property so long as it is in a locked vehicle and out-of-sight.

## **Exemptions:**

- Schools
- Child care and shelter facilities
- Penal facilities
- Homeland Security Chemical Facilities
- “ on property owned by a public utility that generates and transmits electric power or a department of public utilities”



# 2010 Legislative Env./Ag/NR Issues

- ❑ **HB1063 Energy efficient buildings. (Pierce, Gard, Tallian) *DIED***
- ❑ **HB1099 Standards for livestock and poultry care. (Goodin, Steele, Deig, Head) *PASSED***
- ❑ **HB1161 Confined feeding operation setbacks. (Pflum) *Defeated 40-57***
- ❑ **HB1232 Removal of logjams in floodways. (Dermody) *PASSED***
- ❑ **HB1355 Recycled newsprint fee and promotion fund. (Wolkins) *Withdrawn***

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# Cont. Env/Ag/NR Issues

- ❑ **SB0116 *Livestock and poultry care.***  
(Head) ***PASSED***
- ❑ **SB0127 *Underground storage tank corrective action.*** (Gard, Tallian) ***DIED***
- ❑ **SB0208 *Solid waste management district funding.*** (Gard) ***DIED***
- ❑ **SB0209 *Environmental issues.*** (Gard, Tallian, Dvorak) ***DIED***
- ❑ **SB0282 *Storm water management.***  
(Charbonneau) ***DIED***

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# 2010 Legislative Energy/Utility Issues

- HB1094** *Net metering.* (Dvorak) **DIED**
- HB1107** *IURC review of certain water rates.* (Battles) **DIED**
- HB1261** *Agricultural biomass infrastructure grants.* (Friend) **PASSED**
- HB1265** *Coal bed methane property.* (Battles) **STUDY COMMITTEE**
- SB0115** *Eminent domain for carbon dioxide pipeline.* (Gard, Battles) **DIED**

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# Cont. Energy/Utility Issues

- ❑ **SB0186** *Transportation of radioactive materials.* (Wyss, Arnold, Tincher)  
**PASSED**
- ❑ **SB0299** *Agricultural biomass infrastructure grants.* (Hershman, Grubb)  
**DIED**
- ❑ **SB0313** *Net metering.* (Merritt) **DIED**



*Indiana*

*Energy*

*Status*

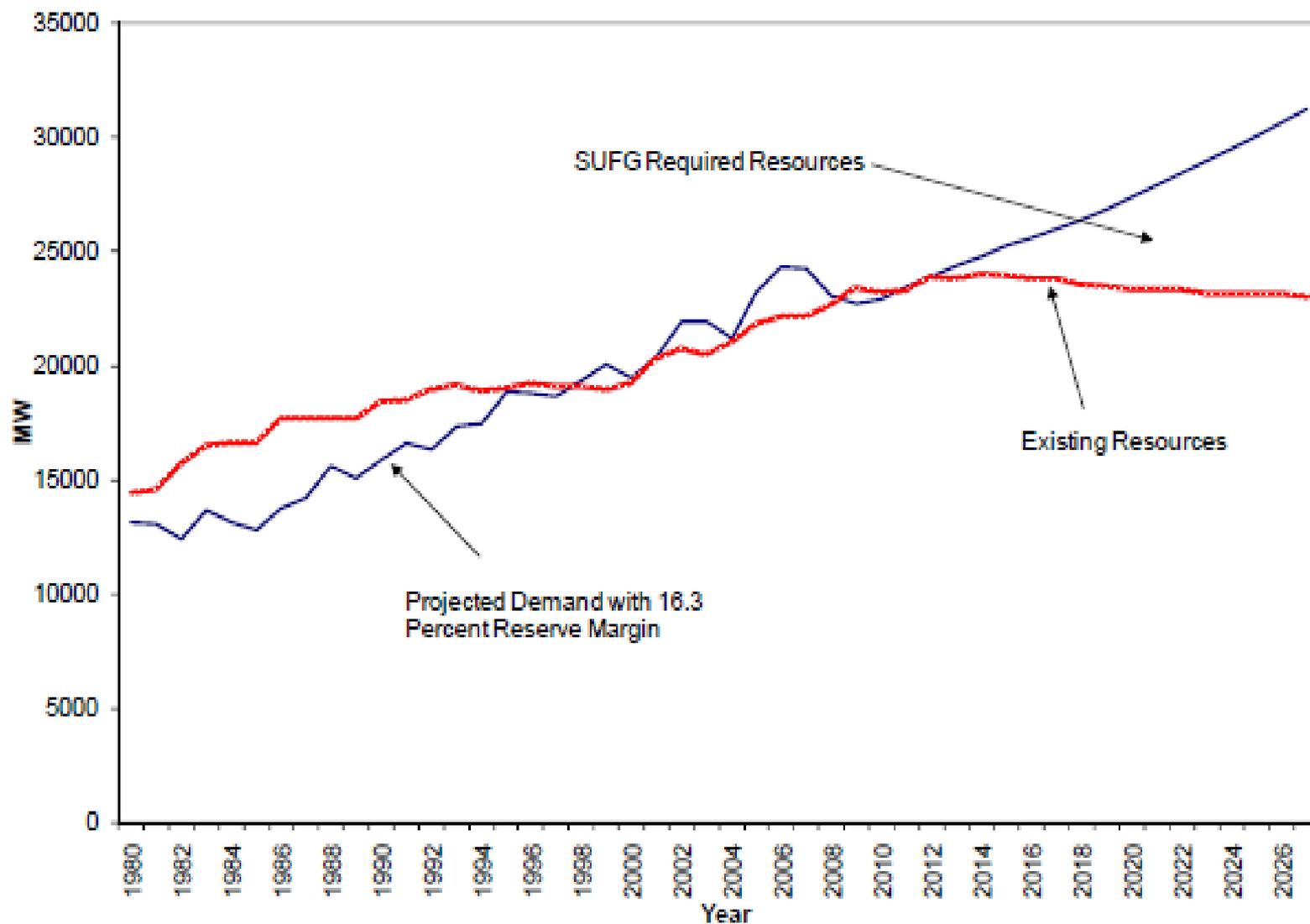
The image shows the Indiana state flag on the left side, featuring a torch with a star above it, and the word "INDIANA" written in a banner. The background of the flag is blue with white stars.

# SUFG Forecast Comparison

2007	2009
Need for new resources in next few years.	<b>Not</b> a need for significant resources in short term but will long term.
<b>2.46%</b> per year growth over 20 years.	<b>1.55%</b> per year growth over 20 years
Peak demand per year increase of <b>500MW</b>	Peak demand per year increase of <b>350MW</b>
<b>Significant</b> price increase thru 2012, then <b>leveling off</b> thru 2027.	<b>Significant</b> price increase thru 2013 then <b>drift up</b> thru 2029.



Figure 1-3. Indiana Total Demand and Supply in MW (SUG Base)

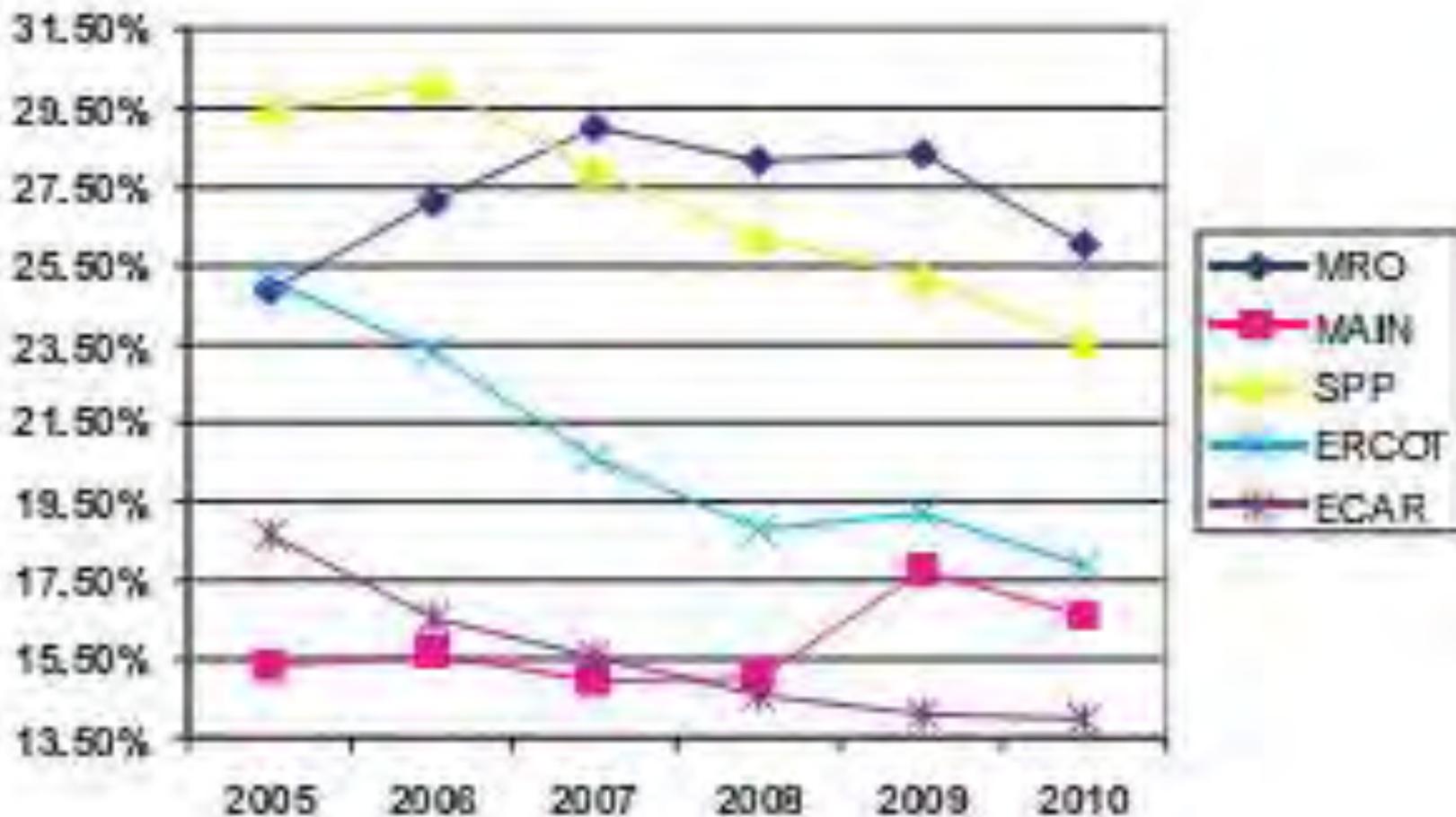




**United States  
Electricity Demand  
Will Increase by  
21% by 2030!**

**Worldwide – 50% in  
25 years!**

# Declining Reserve Margins



Source: Megawatt Daily, January 3, 2006



# Fuel Sources for New Resources

## Coal

- Environmental permitting, construction time

## Natural gas

- Fuel cost

## Nuclear

- Permitting, public opposition, \$\$; construction time

## Wind

- Limited resource, intermittent supply

## Solar

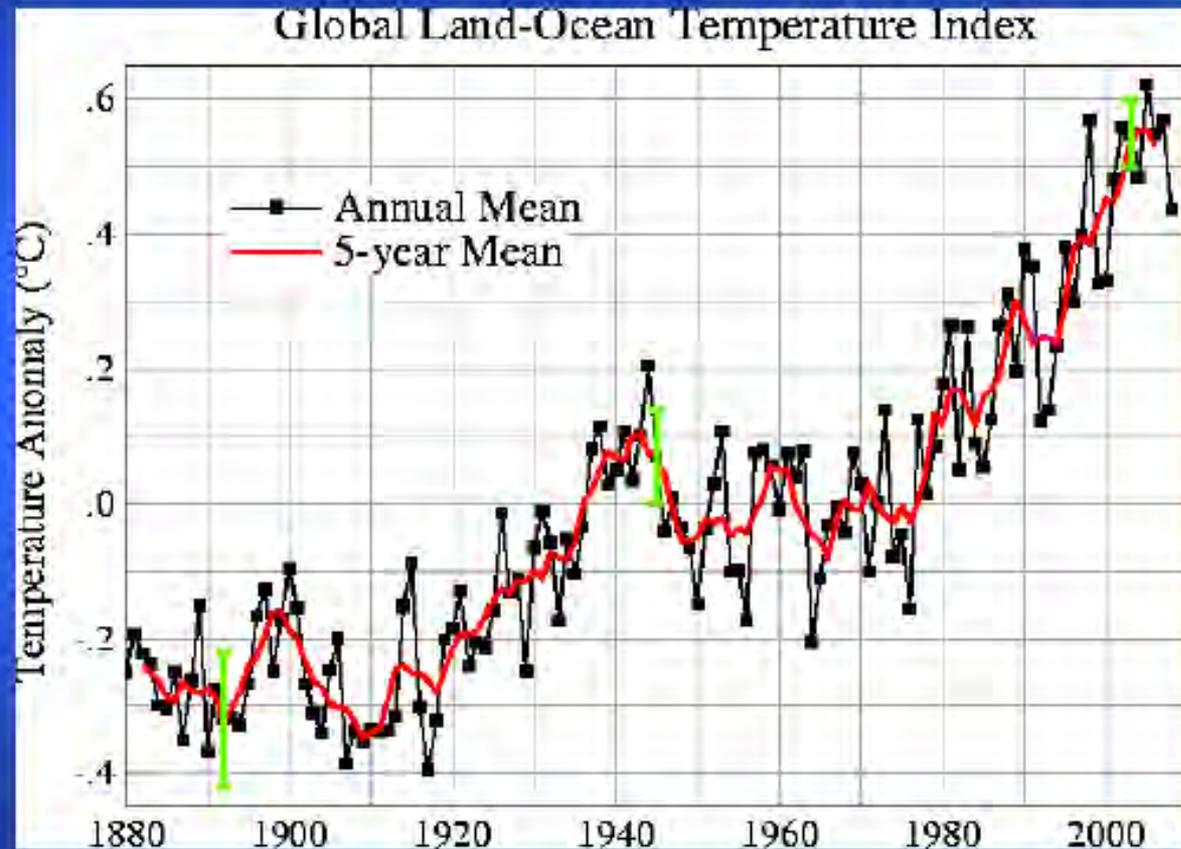
- Limited resource, cost, intermittent

## Biogas - Limited resource

## Geothermal/Ground-Based Heat Pump; Cost



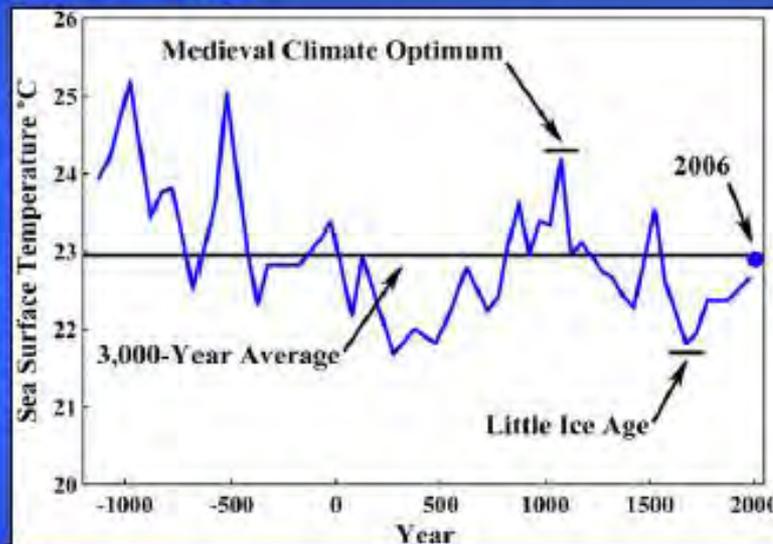
# What Is Climate Change?



# What Is Climate Change?

Climate change has been happening for millions of years.

-Today, global temperatures have warmed back to levels of the "Medieval Warm Period," (A.D. 1000 to A.D. 1350).



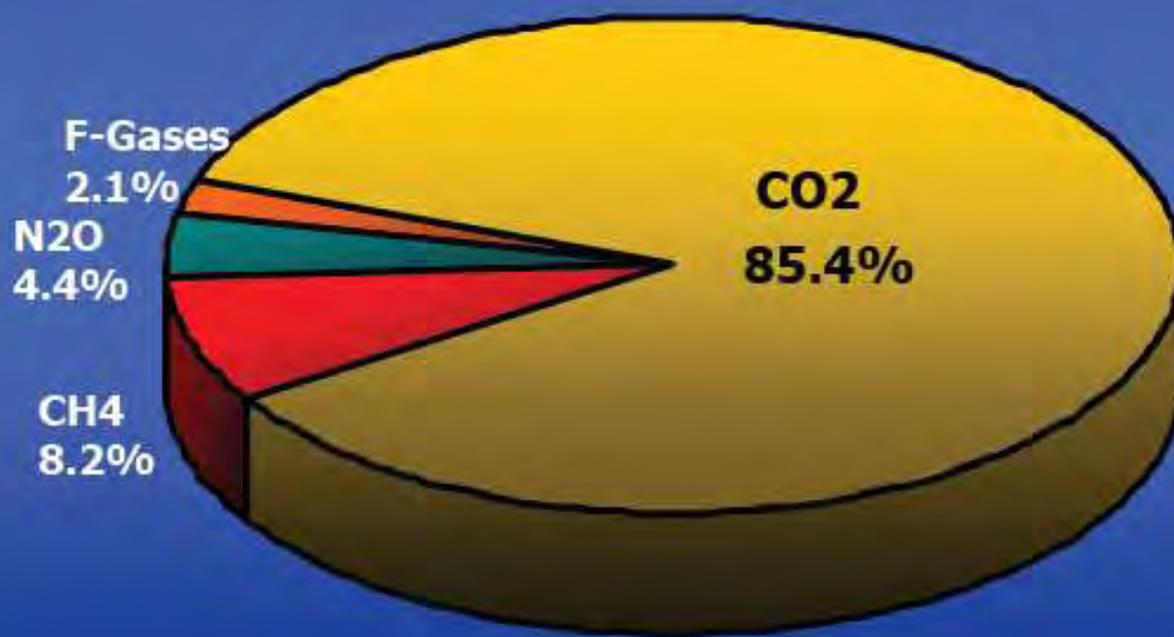
**"[T]he Earth was evidently coming out of a relatively cold period in the 1800s so that warming in the past century may be part of this natural recovery."**

- Dr. John R. Christy (leading climate and atmospheric science expert at the University of Alabama) -

Source: *The Heartland Institute, "Nature, Not Human Activity, Rules the Climate"*  
Keigwin, L.D. 1998. "The Little Ice Age and Medieval Warm Period in the Sargasso Sea." *Science* 274: 1504-1508.



# GHGs in U.S. by Gas Type



# Man-Made vs. Natural Impact\*

Man-Made  
GHGs

~5.53%

Naturally Occurring  
GHG's

~94.47%

## Natural Sources of GHG's

CO<sub>2</sub> (breathing, decay, forest fires, volcanoes) ~70%

Methane (wetlands, termites) ~6%

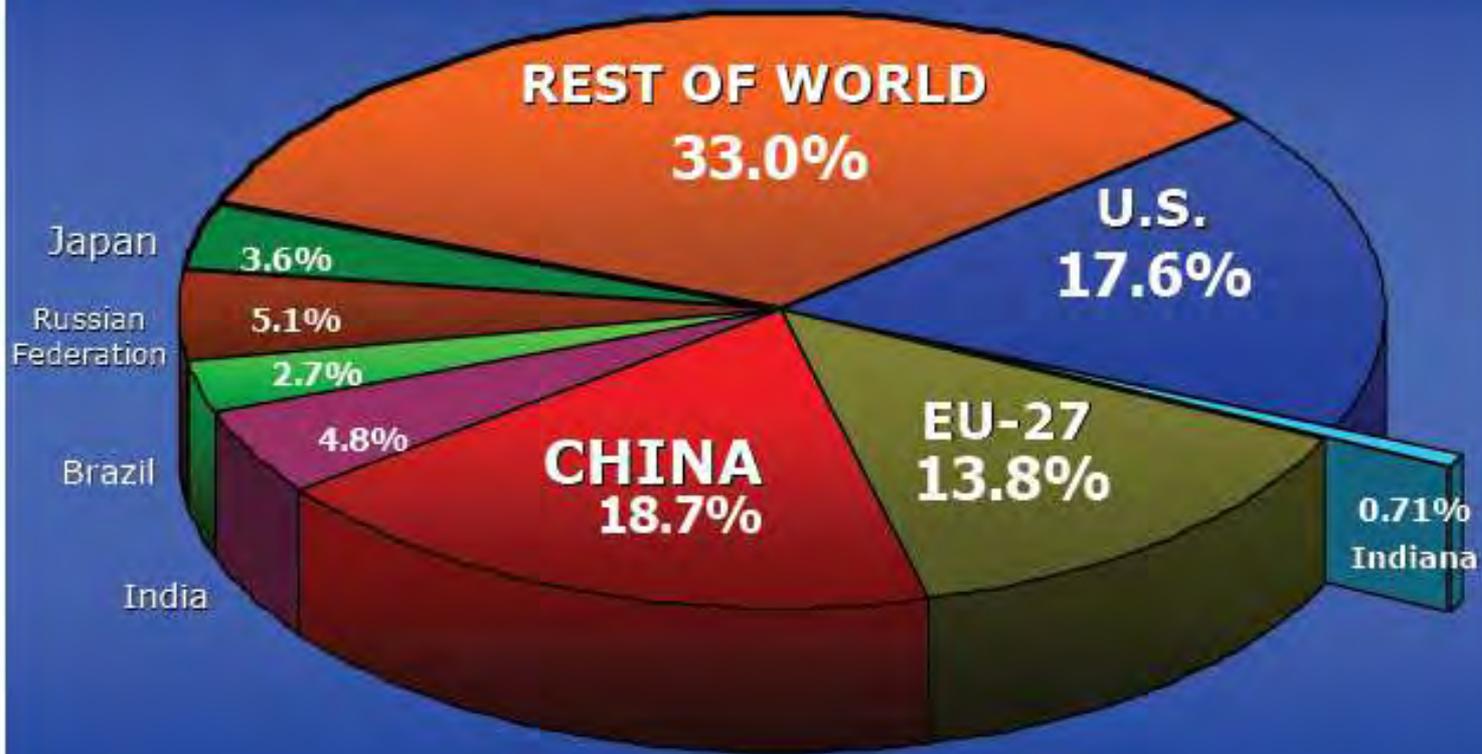
Nitrous Oxide (bacteria in tropical soils, ocean) ~17%

\*Excluding Water Vapor.

Source: US Energy Information Administration

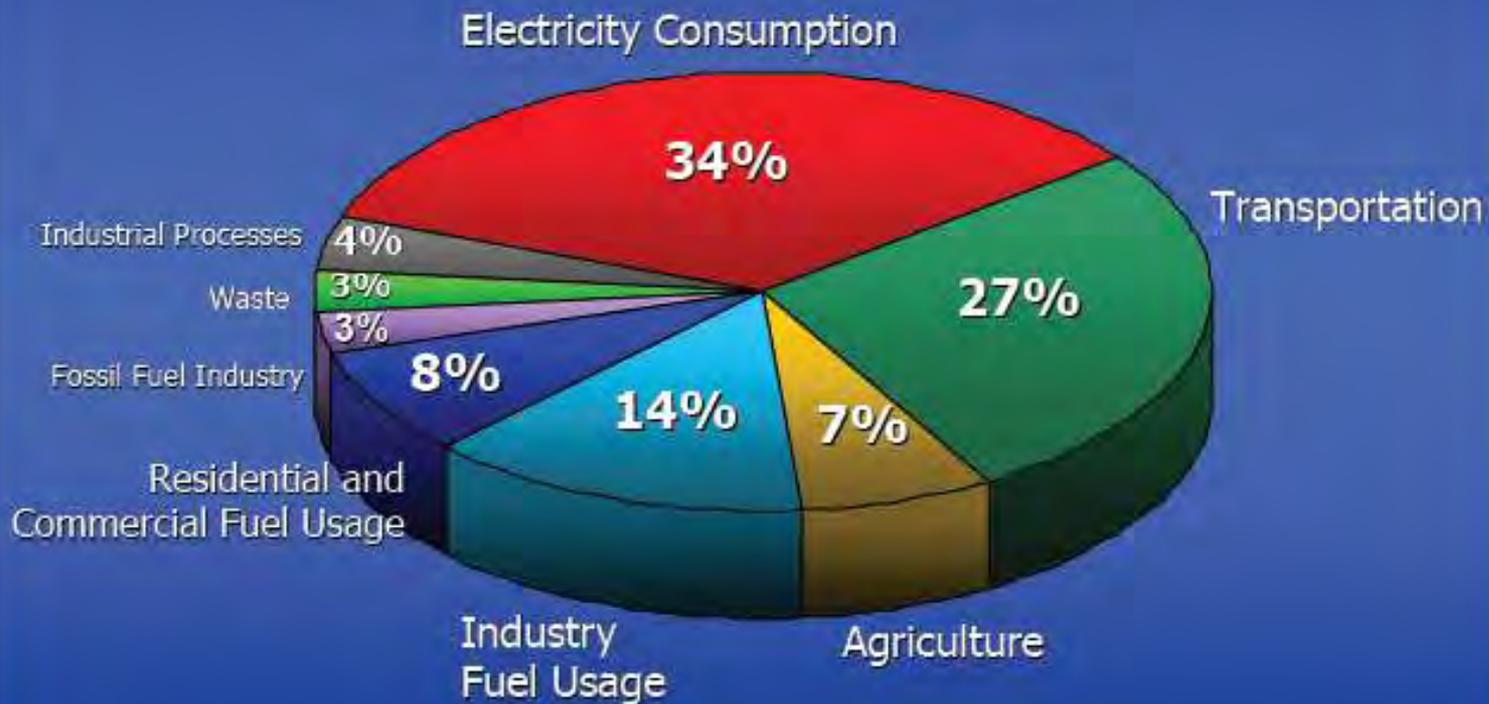


# Global GHG Emissions





# U.S. Greenhouse Gas Emissions By Sector



Source: EPA, 2005

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## Why We Need A Global Solution

“In 2006, China added 90 gigawatts of coal fired power capacity—enough to emit over 500 million tons of CO<sub>2</sub> per year for 40 years; by comparison, the European Union’s entire Kyoto reduction commitment is 300 million tons of CO<sub>2</sub>.”

- Elizabeth Economy, Council on Foreign Relations testifying before the Senate Foreign Relations Committee on June 4, 2009



# Indiana Chamber of Commerce Energy Leadership Elements

- A diversified fuel mix including clean coal technologies, natural gas, nuclear and renewable energy sources
- Investment in new energy technologies such as the fuel cell
- Assessment of our electric power infrastructure, including transmission and distribution capabilities



# Indiana Chamber of Commerce

## Energy Leadership Elements

- Sensible regulatory controls that promote the responsible building of new electric power stations
- Energy efficiency and conservation

