



Climate Policy Update

June 13, 2024

Good morning!

This is Akin's newsletter on climate change policy and regulatory developments, providing information on major climate policy headlines from the past week and forthcoming climate-related events and hearings:

National

House to Debate NDAA Amendments Against Climate Action, EVs *(E&E News)*

The House is considering a multitude of amendments to its fiscal 2025 defense policy bill, including measures to block federal climate action, roll back endangered species protections, and slow the government's transition to electric vehicles (EVs). The bill authorizes approximately \$884 billion in defense spending for fiscal year 2025 and addresses various environmental and natural resources issues. However, the Rules Committee has omitted certain proposals and amendments, including those related to per- and polyfluoroalkyl substances (PFAS) contamination, streamlined environmental reviews and wildlife protection measures.

FERC Nominations: Two Down, One to Go *(E&E News)*

The Senate will vote on President Joe Biden's final nominee to the Federal Energy Regulatory Commission (FERC), following the confirmation of two other picks. The nominee, Judy Chang, faced opposition from some Republicans due to her past statements on natural gas infrastructure. With Chang's confirmation, FERC will have a full slate of commissioners, preventing the agency from losing quorum when Commissioner Allison Clements leaves.

Senate GOP Farm Bill Plan Targets Climate Money *(E&E News)*

Senator John Boozman proposed a framework for the farm bill that involves reallocating funds from the Inflation Reduction Act (IRA) and eliminates the requirement for conservation funds to focus on climate change. The proposal aims to boost the farm safety net and increase support to farmers, drawing criticism from Senate Democrats. It includes provisions to increase funding for agricultural research, specialty crops, rural energy programs and forest conservation, while also aiming to slow the future growth of low-income nutrition programs to generate savings for the bill.

White House Launches Meetings to Gauge Climate Law Impacts *(E&E News)*

Government officials have convened meetings with industry leaders to assess the effectiveness of policies in boosting domestic EV supply chains to compete with China. The focus has been on addressing challenges around securing graphite, a key ingredient in EV batteries, from domestic sources rather than relying on China.

Industry leaders have expressed appreciation for the government's attention to these critical issues and its efforts to involve stakeholders in finding solutions.

Biden's Infrastructure Push Crashes Into His Buy America Agenda *(PoliticoPro)*

President Joe Biden's infrastructure and clean energy programs are facing challenges due to strict mandates on the use of U.S.-made components, leading to delays and increased costs for projects. The Buy America rules require even minor components to be produced by U.S. companies, affecting industries such as EVs and solar panel manufacturing. Critics argue that these requirements could further delay infrastructure projects by forcing developers to seek exemptions.

Trade Case That Could Shake Up US Solar Industry Advances *(EnergyWire)*

The U.S. International Trade Commission has advanced a trade case that could result in higher solar tariffs due to imports from Cambodia, Malaysia, Thailand and Vietnam. This decision allows the Commerce Department to continue investigating whether companies from these nations are illegally dumping solar products. Some U.S. manufacturers have alleged that businesses with ties to China are establishing operations in Southeast Asia as a way to avoid the current tariffs imposed by the United States on China.

Lawmakers Escalate Push For New Solar Import Tariffs *(E&E News)*

A bipartisan group of lawmakers is urging President Biden's administration to act against unfair Chinese trade practices in the solar industry as a yearslong tariff moratorium comes to an end. Lawmakers are divided on whether to impose new tariffs on Chinese solar products manufactured in Southeast Asian countries to counteract circumvention of existing duties.

Electricity Giants Agree to Develop Solar, Storage in South *(EnergyWire)*

Entergy and NextEra Energy Resources have announced a partnership to build up to 4.5 gigawatts (GW) of solar and energy storage projects in Entergy's service area spanning parts of Louisiana, Texas, Mississippi and Arkansas. This collaboration aims to meet the growing electricity demand with low-cost, renewable generation and storage, amid increasing interest in carbon-free power. While specific details about the distribution of the new projects have not been disclosed, the joint effort reflects a broader shift towards embracing renewable energy in the southern U.S. to address rising electricity demand and provide customers with sustainable energy options.

Biden Administration Backpedals on Tailpipe Standards *(GreenWire)*

The Biden administration has revised its plan to increase fuel efficiency for conventional cars following complaints from industry stakeholders that the original proposal was too aggressive. Despite objections from environmentalists and potential opposition from the oil industry and Republican-controlled states, the administration believes that the changes in the final proposal will help the new rule withstand legal and political challenges.

Republicans Embrace IRA at POLITICO Energy Summit *(E&E News)*

During POLITICO's Energy Summit, a small group of Republican lawmakers expressed support for certain energy tax credits in the IRA. Speculation arose about potential actions regarding energy and environmental policies if former President Donald Trump were to win a second term in the November elections, with lawmakers anticipating that certain regulations and programs could be revisited.

Manchin, GOP Make Good on Vow to Target Power Plant Rule *(E&E News)*

Congressional Republicans have introduced companion Congressional Review Act resolutions in the House and Senate expressing disapproval of the Biden administration's new power plant climate rule. They argue that

the rule, dubbed “Clean Power Plan 2.0,” would have a detrimental impact on energy production and the economy. The resolutions are expected to face a presidential veto but could potentially garner enough support in the House and Senate due to bipartisan concerns.

FERC Weighs Landmark Plan to Link Eastern and Western Grids *(EnergyWire)*

Southwest Power Pool (SPP) is seeking federal approval to become the first organization to provide transmission services bridging two of the country’s three electric grids, which could potentially lower costs and promote more renewable energy. The plan would bring seven Western electricity providers into SPP’s existing regional transmission organization, allowing the operator to widen its footprint and share resources across a bigger geographic region.

State and Local

New York Lawmakers Pass ‘Climate Superfund’ Bill *(ClimateWire)*

New York Assembly Democrats passed a “Climate Superfund” bill that would charge fossil fuel companies for their historical emissions, raising \$3 billion annually for investments addressing the effects of climate change. Supporters hope this measure will lead other states to take similar action. However, the bill still requires approval from Gov. Kathy Hochul and may face legal challenges from the fossil fuel industry.

Michigan’s Biggest Utility Adding Batteries at Former Coal Plant *(EnergyWire)*

DTE Energy is constructing the largest battery storage system in the Great Lakes region at the site of a former coal plant, aiming to support Michigan’s transition to net-zero carbon emissions. The 220-megawatt (MW) battery energy storage center will play a crucial role in storing excess renewable energy and meeting peak demands. In contrast, Ameren Missouri plans to build a new 800-MW gas peaking plant, emphasizing the increasing importance of renewable energy integration and battery storage in the Midwest.

Advanced Nuclear Project Breaks Ground in Wyoming *(EnergyWire)*

Bill Gates’ TerraPower is starting construction on a next-generation nuclear power plant in Wyoming. The project aims to provide safe, carbon-free energy and could cost up to \$4 billion, with half of the funding coming from the U.S. Department of Energy. The reactor could generate enough power for up to 400,000 homes and could potentially be used to supply high heat for industrial processes in the future.

DC Circuit to Hear Battle Over Virginia Offshore Wind *(ClimateWire)*

Opponents of a wind farm project in Virginia are appealing to the U.S. Court of Appeals to block the construction, citing potential harm to the North Atlantic right whale. The project, led by Dominion Energy, is the largest of its kind in the U.S. and aims to provide electricity for 660,000 homes. Dominion Energy asserts that the project has been designed in a way that it will not harm the environment or marine mammals.

Biden Admin Inks Deal with Maryland to Spur Offshore Wind *(GreenWire)*

The Biden administration has signed a deal with Maryland to bring offshore wind to the central Atlantic, supporting the state’s goal of achieving 100% clean energy by 2035. Despite economic hurdles and reduced acreage for the upcoming wind auction, Maryland is committed to offshore wind as a vital part of its energy future. The Bureau of Ocean Energy Management plans to schedule future offshore wind auctions, emphasizing the careful consideration of existing uses and resources in the ocean.

International

EU Climate Policies Could be Slowed in Future After Rightward Shift in Election *(Reuters)*

The recent European Parliament election results indicate that passing ambitious European Union (EU) climate policies may become more challenging due to gains made by right-wing and far-right parties skeptical of the EU's "Green Deal." However, it is unlikely that there will be a complete reversal of existing EU climate policies, as many of them are fixed into EU law and are already showing results. The focus might shift towards supporting climate-friendly projects that also benefit local industries, with potential emphasis on "industrial competitiveness" rather than solely environmental concerns.

Dignitaries Buy into Namibia's Plans to Become 'Green' Hydrogen Hub *(ClimateWire)*

King Philippe of Belgium visited Namibia to inaugurate a project aimed at decarbonizing European industry through green hydrogen production. Namibia is relying on becoming a hub for green hydrogen production, with backing from European dignitaries and financial institutions. The plan involves harnessing Namibia's abundant solar energy to produce green ammonia for export to Europe, potentially transforming the nation's economy.

Document: Denmark Wants EU to Produce CO2 Transport Plan by 2025 *(ClimateWire)*

In a position paper, Denmark pushes the European Commission (EC) to develop a carbon pipeline network after the EU released a preliminary strategy earlier this year aimed at capturing industrial carbon. Denmark is encouraging a market-driven approach to create a standardized framework for the EU to adopt and hopes the EC will release a follow-up plan as early as spring 2025.

Check out below for key quotes, federal agency news and a look at the week ahead in congressional hearings and think tank events:

Quote of the Week

"I, like all Republicans, voted against the entire package, [but] we're grateful for a few things that are in it [...] I will be involved pretty strongly in advocating that we not just repeal the IRA."

-Senator Kevin Cramer speaking about the Inflation Reduction Act at POLITICO's Energy Summit ([PoliticoPro](#) – June 6, 2024)

Congressional Hearings (June 10 – June 15, 2024)

Senate

Digging Deeper: Building Our Critical Minerals Workforce

Health, Education, Labor and Pensions

Wednesday, June 12, 2024

House of Representatives

Full Committee Markup of 10 Bills

Natural Resources

Wednesday, June 12, 10:15 AM ET

Securing America's Critical Materials Supply Chains and Economic Leadership

Energy and Commerce

Federal Agency Climate News

Department of Treasury

[U.S. Department of the Treasury Announces More Than \\$1 Billion in Upfront Savings for Consumers on Electric Vehicle Sales](#) (June 12)

Department of Transportation

[USDOT Finalizes New Fuel Economy Standards for Model Years 2027-2031](#) (June 7)

Department of Energy

[DOE Announces New Decadal Fusion Energy Strategy](#) (June 6)

Department of Interior

[Biden-Harris Administration Leaders Announce Steps to Advance Offshore Wind Progress in Maryland](#) (June 7)

[Biden-Harris Administration Announces \\$700 Million from President Biden's Investing in America Agenda for Long-Term Water Conservation in the Lower Colorado River Basin](#) (June 6)

Funding and Comment Opportunities

[FY2024 Vehicle Technologies Office Research & Development](#)

Department of Energy

Close Date: June 24, 2024

[Advanced Manufacturing and Recycling Program](#)

Department of Energy

Close Date: June 24, 2024

[Solar and Wind Interconnection for Future Transmission](#)

Department of Energy

Close Date: June 28, 2024

[Concentrating Solar Flux to Heat and Power](#)

Department of Energy

Close Date: August 8, 2024

[Wholesale Electricity Market Studies and Engagements](#)

Department of Energy

Close Date: August 22, 2024

[Fiscal Year 2024 Solar Energy Supply Chain Incubator](#)

Department of Energy

Close Date: October 7, 2024

Bipartisan Infrastructure Law (Bil) – Joint Office of Energy and Transportation: Communities Taking Charge Accelerator, Fiscal Year 2024

Department of Energy

Close Date: July 16, 2024

D.C. Climate Events

Report Launch: Friendshoring the Lithium-Ion Battery Supply Chain

Center for Strategic and International Studies

Tuesday, June 11, 9:45 AM ET

U.S.-India Clean Energy Partnership for 450 GW

Center for Strategic and International Studies

Tuesday, June 18, 10:00 AM ET

Leadership Conversation with Dan Brouillette, President and CEO of the Edison Electric Institute

Center for Strategic and International Studies

Tuesday, June 11, 10:00 AM ET

Climate and Trade Summit

Bipartisan Policy Center

Wednesday, July 10, 1:00 PM ET

International Minerals Diplomacy: A Fireside Conversation with Bob Wilt, CEO of Ma'aden

Center for Strategic and International Studies

Wednesday, June 12, 9:00 AM ET

For more information, please contact your regular Akin lawyer or advisor, or:

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