

Climate Policy Update

September 19, 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 Energy and Commerce approves three resolutions to kill Biden environmental rules *(PoliticoPro)*

The House Energy and Commerce Committee advanced three Congressional Review Act resolutions targeting Environmental Protection Agency (EPA) rules on power plants, heavy-duty vehicle emissions and particulate matter standards, and have counterparts in the Senate. Although expected to face vetoes, the resolutions are part of a broader Republican effort to challenge Biden's environmental policies, with additional votes on related emissions rules set to take place soon.

Mike Johnson open to keeping some green energy tax credits *(E&E News)*

House Speaker Mike Johnson has indicated a mixed stance on the Inflation Reduction Act (IRA), advocating for cuts to "wasteful" provisions while preserving some of its clean energy incentives. Johnson's comments reflect the challenge of balancing hard-right Republicans' push to repeal the IRA with growing GOP support for keeping certain clean energy investments intact, especially as some districts benefit from IRA programs.

White House rebukes GOP bills as Johnson trumpets agenda *(E&E News)*

The White House opposes two Republican bills aimed at limiting climate-conscious investments but hasn't threatened a veto. The bills are part of a GOP effort to counter environmental, social and governance (ESG) policies and emissions regulations. House Speaker Mike Johnson promised more such measures if Republicans gain power, targeting policies like electric vehicle (EV) mandates and emissions standards.

'Dangerous new precedents': Legal groups raise alarm about permitting bill *(E&E News)*

Legal groups are warning Democratic leaders that a bipartisan permitting bill, aimed at speeding up energy project approvals, could have far-reaching negative effects beyond environmental issues. They argue that the bill's provision to drastically shorten the statute of limitations for litigation could undermine justice in various areas, including voting rights and civil liberties. While the bill has strong support from energy sectors, critics say it could exacerbate delays in the already overburdened federal court system.

Hickenlooper, Tillis to unveil bipartisan legislation to boost US action on minerals *(PoliticoPro)*

Sens. John Hickenlooper and Thom Tillis are introducing bipartisan bills to boost U.S. critical mineral production for clean energy. The bills would establish a government council to coordinate efforts across agencies and promote innovation in mining and recycling. This aims to reduce U.S. reliance on China's dominance in the critical minerals supply chain.

White House raises tariffs on Chinese EVs, solar panels, batteries *(EnergyWire)*

The White House has finalized tariff increases on Chinese goods, significantly raising prices for electric vehicles, solar cells and lithium-ion batteries. These tariffs, which aim to counter China's trade practices, will rise as high as 102.5% for EVs and 50% for solar cells, taking effect later this month. While some U.S. clean energy producers support the move, critics warn it could disrupt global supply chains and undermine domestic efforts to reduce reliance on China.

DC Circuit allows EPA to rework 'good neighbor' rule halted by Supreme Court *(GreenWire)*

A federal appeals court is allowing the EPA to revise its smog rule targeting cross-state pollution after the Supreme Court paused it in June. The court rejected efforts to discard the rule, asking the EPA to address concerns about its implementation after several states exited. The EPA has until Nov. 30 to respond, with litigation updates due by Dec. 30.

Judge blocks Interior methane rule in five states *(GreenWire)*

A federal judge has blocked the Interior Department's new methane rule in five Western states, finding it infringes on states' rights and overlaps with existing regulations. The rule, intended to cut methane emissions by imposing fees and limits on gas flaring, faced criticism from Republican-led states. The judge ruled that the regulation added unnecessary federal oversight and likely violated state sovereignty.

Grid operators back legal fight over EPA power plant rule *(ClimateWire)*

Four major grid operators, including MISO, have urged the D.C. Circuit to revise the EPA's new carbon emissions rule, citing concerns it could lead to premature power plant retirements and jeopardize grid reliability. The rule mandates 90% carbon capture by 2032, but the operators argue the technology is too unproven and costly. They are also seeking measures to ensure power supply reliability, with emergency applications to freeze the rule now before the Supreme Court.

State and Local

Governors Landry & Sununu Announce the Governors' Coalition for Energy Choice *(Office of Governor Jeff Landry)*

Governors Jeff Landry of Louisiana and Chris Sununu of New Hampshire have launched the Governors' Coalition for Energy Choice to combat rising energy costs. The coalition, joined by eight other governors, aims to reduce regulatory barriers, promote energy choice and ensure affordable, reliable energy for families and businesses. They plan to collaborate with more states to support policies that reduce energy inflation and enhance economic opportunities.

Newsom accuses Nevada, Arizona governors of parroting Big Oil talking points *(PoliticoPro)*

Gov. Gavin Newsom criticized Arizona Gov. Katie Hobbs and Nevada Gov. Joe Lombardo for echoing Big Oil's concerns about his proposal to require California refineries to store more gas. Hobbs and Lombardo worried

the plan might raise gas prices and cause shortages in their states. Newsom countered that their concerns were industry-driven and that his plan would stabilize prices and prevent supply issues.

Calif. to reexamine airplane emissions after pleas from workers *(ClimateWire)*

California officials are re-evaluating jet-fuel emission reduction measures after airport workers, affected by pollution, voiced health concerns. The California Air Resources Board (CARB) had previously dropped a proposal to penalize traditional jet fuel suppliers due to industry opposition and legal challenges. Workers and advocates are pushing for CARB to address the issue and tackle environmental racism, while board members consider alternative approaches.

Inslee fights repeal of his signature cap-and-trade law *(Axios)*

Governor Jay Inslee is focused on preserving the Climate Commitment Act, a major climate policy he implemented, as he nears the end of his term. Initiative 2117, which could repeal the cap-and-trade law, threatens to eliminate funding for clean energy projects and climate action if approved by voters. Inslee has been actively campaigning against the initiative, highlighting its potential negative impact on pollution and climate efforts.

RGGI lawsuit heads to Floyd County Circuit Court Monday *(VPM)*

A lawsuit challenging Virginia's exit from the Regional Greenhouse Gas Initiative (RGGI) will continue in court after earlier dismissal attempts failed. The Association of Energy Conservation Professionals argues that state officials lacked authority to withdraw and failed to justify the decision. Governor Youngkin contends that RGGI is an ineffective tax and that Virginia's power companies are already on track to meet carbon reduction goals.

International

Azerbaijan asks for climate 'truce' ahead of COP29 *(ClimateWire)*

Azerbaijan is urging for a diplomatic tone ahead of hosting COP29, with a focus on energy storage, green hydrogen and a climate fund backed by fossil fuel producers to aid developing nations. While Azerbaijan presents itself as a leader in advancing green solutions, concerns have been raised about its continued reliance on oil and gas, as well as its human rights record. The country also seeks a new climate aid agreement and supports methane emissions reduction at the conference.

US to consider more funding to spur India's clean energy sector *(EnergyWire)*

The U.S. International Development Finance Corp. (DFC) plans to boost its clean energy investments in India after recent loans to solar firms like First Solar. With nearly \$4 billion invested, the DFC is focusing on expanding support in solar, wind and electric vehicles. India's clean energy goals are critical for meeting global climate targets.

Von der Leyen names new European Commission with focus on security, growth, climate change *(Reuters)*

European Commission President Ursula von der Leyen has appointed a new slate of European Commissioners to address key challenges facing the bloc. Spain's Teresa Ribera will oversee antitrust issues, including ensuring that the European Union's (EU) green energy goals are met. Denmark's Dan Jorgensen will tackle

energy prices and lead efforts on housing, while the Commission also aims to build military manufacturing capacity and enhance competitiveness amidst global energy and security challenges.

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

“You’ve got to use a scalpel and not a sledgehammer, because there’s a few provisions in there that have helped overall.”

- Speaker of the House Mike Johnson (R-LA) on the Inflation Reduction Act’s clean energy tax credits ([E&E News](#) – September 18, 2024)

Congressional Hearings (September 16 -20, 2024)

Senate

Full Committee Hearing to Examine Fusion Energy Technology Development

Energy and Natural Resources

Thursday, September 19, 10:00 AM ET

House of Representatives

Navigating the Blue Frontier: Evaluating the Potential of Marine Carbon Dioxide Removal Approaches

Science, Space, and Technology

Thursday, September 19, 10:00 AM ET

Holding the Biden-Harris EPA Accountable for Radical Rush-to-Green Spending

Energy and Commerce

Thursday, September 19, 10:00 AM ET

The Cost of the Biden-Harris Energy Crisis Budget

Thursday, September 19, 10:00 AM ET

Federal Agency Climate News

White House

Readout of First-Ever White House Summit on Extreme Heat (September 14)

Readout of White House, Department of Agriculture, and Environmental Protection Agency Roundtable on Financing Climate Smart Agriculture (September 12)

Readout of White House Roundtable on U.S. Leadership in AI Infrastructure (September 12)

Department of Energy

U.S.-India Strategic Clean Energy Partnership Ministerial Joint Statement (September 16)

DOE Announces Better Buildings Initiative Progress Report, Highlights Nearly \$22 Billion in Energy Savings (September 16)

Biden-Harris Administration Announces \$90 Million to Accelerate Building Code Adoption and Save Americans Money (September 16)

Funding and Comment Opportunities

**Bipartisan Infrastructure Law Enhanced
Geothermal Systems (EGS) Pilot Demonstrations**

Department of Energy

Close Date: September 25, 2024

**Fiscal Year 2024 Solar Energy Supply Chain
Incubator**

Department of Energy

Close Date: October 7, 2024

**Connected Communities 2.0: Innovations to
Manage Growing Transportation, Building, and
Industrial Loads to the Grid**

Department of Energy

Close Date: October 10, 2024

**Offshore Wind National and Regional Research
and Development**

Department of Energy

Close Date: November 7, 2024

**Smart Manufacturing Technologies for Material
and Process Innovation**

Department of Energy

Close Date: November 18, 2024

Energy Storage Pilot Demonstrations

Department of Energy

Close Date: February 13, 2025

D.C. Climate Events

Powering the Next Era of American Energy

Semafor

Tuesday, September 17, 9:00 AM ET

POLITICO's 2024 AI & Tech Summit

Politico

Tuesday, September 17, 12:00 PAM ET

**Mobilizing the market: The barriers to financing a
more scalable climate response**

The Brookings Institution

Wednesday, September 18, 2:00 PM ET

The Energy Transition in Rural America

The Brookings Institution

Wednesday, September 18, 4:00 PM ET

2024 Congressional Grid Innovation Expo

National Electrical Manufacturers Association

Wednesday, September 18, 5:00 PM ET

The Future of Clean Energy

The Atlantic Festival

Friday, September 20, 11:30 AM ET

The Climate Summit

The Atlantic Festival

Friday, September 20, 11:30 AM ET

**Artificial Intelligence and Climate – Pros, Cons
and the Importance of Effective Governance**

Akin

Tuesday, September 24, 5:00 PM ET

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

Kenneth J. Markowitz

Stacey H. Mitchell

**Christopher A.
Treanor**

Emily P. Mallen

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