

Climate Policy Update

December 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

Congress fails to reach deal to ease energy permitting rules *(PoliticoPro)*

A bipartisan group of lawmakers, led by Sen. Joe Manchin and Rep. Bruce Westerman, failed to reach a compromise on permitting reform aimed at speeding up energy infrastructure development before Republicans assume full control of Congress and the White House. While both parties agree on the need to streamline processes for energy projects, disagreements persisted—conservatives resisted easing approvals for clean energy grids, and progressives opposed loosening rules for fossil fuel projects—leaving major permitting reforms stalled despite years of effort.

Biden ramps up US climate target ahead of Trump takeover *(PoliticoPro)*

President Joe Biden announced an ambitious goal to cut U.S. greenhouse gas emissions by 61-66% by 2035, building on his earlier target of a 50-52% reduction by 2030, though President-elect Donald Trump is expected to reverse these efforts. While the target sets a strong benchmark for states, cities, and businesses to pursue climate action, experts warn that achieving it without federal support under Trump's administration will be challenging, even with existing policies like the Inflation Reduction Act.

Biden eyes final rules at DOE, Interior, FERC *(EnergyWire)*

As President-elect Trump prepares to take office, the Biden administration is racing to finalize energy and climate regulations, including appliance efficiency standards, carbon pipeline safety rules and offshore carbon storage initiatives. Key agencies such as the Department of Energy (DOE), Department of the Interior and the Environmental Protection Agency (EPA) are prioritizing rules to cut emissions and advance clean energy, though many proposals face uncertain futures under Trump's leadership, with some likely to face court battles or congressional intervention.

DOE study leaves path for Trump to ramp up LNG exports *(EnergyWire)*

The DOE's new report warns that unconstrained liquefied natural gas (LNG) exports could drive up U.S. prices by over 30% by 2050, fueling concerns about costs to households and environmental impacts. While the study

may provide grounds for future legal challenges to LNG projects, the incoming Trump administration is expected to push ahead with gas export approvals as part of its energy dominance agenda, potentially disregarding the report's findings.

Biden admin moves to freeze LNG pause litigation ahead of Trump's return *(GreenWire)*

The Biden administration has requested a federal court to pause litigation over its freeze on new LNG export authorizations, anticipating that President-elect Trump will lift the ban after taking office. The request follows a prior court ruling striking down the pause and highlights the ongoing legal and policy shifts surrounding LNG export approvals and climate considerations.

Face-off looms for landmark Biden admin air quality rule *(GreenWire)*

The Biden administration's stricter soot standards, which lower annual PM2.5 exposure limits to 9 micrograms per cubic meter, face legal challenges from Republican-led states and industry groups, who argue the EPA overstepped its authority and failed to consider compliance costs. While opponents highlight procedural flaws and cost concerns, the EPA defends the rule as a scientifically sound decision under the Clean Air Act to protect public health, projecting significant health benefits and reduced mortality by 2032.

Supreme Court NEPA ruling could target landmark climate case *(EnergyWire)*

The Supreme Court may limit the scope of the 2017 Sabal Trail decision, which expanded the National Environmental Policy Act (NEPA) reviews to include downstream climate impacts, as it considers arguments over the environmental analysis of Utah's Uinta Basin Railway. Potential outcomes range from refining its application to distinguishing the case based on the Surface Transportation Board's authority, rather than fully overturning the precedent.

State and Local

Biden finally grants waiver for California's electric car mandate. Trump could reverse it. *(PoliticoPro)*

The Biden administration granted California permission to enforce its stringent pollution regulations for cars and trucks, securing an additional layer of legal protection ahead of President-elect Trump's return to office. While the EPA's approval strengthens California's authority to exceed federal standards under the Clean Air Act, Trump's incoming administration can still attempt to revoke the waivers, though the process is lengthy and likely to face legal challenges.

Supreme Court rejects constitutional challenge to California waiver program *(PoliticoPro)*

The Supreme Court declined to hear a constitutional challenge from Republican-led states against the Clean Air Act's provision granting California special authority to enforce stricter pollution regulations. However, the court agreed to review a procedural question related to the Biden administration's restoration of California's waiver, which could impact future legal challenges to such waivers.

Energy states wrestle with methane rules as they await Trump *(EnergyWire)*

State agencies are grappling with the uncertainty of how President-elect Trump's administration will handle Biden-era methane rules, leaving many unsure which regulations will remain in place. While some states like New Mexico and Colorado have implemented their own stringent methane policies, others are concerned about the economic and regulatory implications of potential federal rollbacks, creating a mixed landscape for emissions reductions across the country.

International

America's clean energy rivals will take advantage of Trump 2.0, EU green chief says *(ClimateWire)*

Teresa Ribera, the European Union's (EU) Executive Vice-President for a Clean, Just and Competitive Transition, warned that President-elect Donald Trump's fossil fuel-focused policies could weaken U.S. leadership in clean energy, allowing other nations to dominate emerging industries. Ribera emphasized the EU's need for stability in climate targets and a fair, green economic transition to avoid past mistakes like falling behind China in electric vehicles, while leveraging tools like the Foreign Subsidies Regulation to protect European businesses.

UN chief urges rich nations to meet commitments on climate finance *(GreenWire)*

In his recent visit to Lesotho, United Nations (U.N.) Secretary-General António Guterres urged wealthy nations to fulfill their climate finance commitments, including the \$300 billion annual agreement adopted at COP29 in Azerbaijan in November. He also called for Africa to gain permanent representation on the U.N. Security Council and highlighted the need for projects like Lesotho's Highlands Water Project to address regional water shortages amid severe droughts and climate challenges.

Nuclear countries clash with new EU energy chief over 2040 green goal *(PoliticoPro)*

The EU's new energy chief, Dan Jørgensen, is already facing backlash from pro-nuclear countries over his proposal for a 2040 renewable energy target, which they argue sidelines nuclear power and threatens its development. While Jørgensen has pledged to support advanced nuclear technologies like small modular reactors, critics worry the focus on renewables undermines technology neutrality and could shift financing away from nuclear, deepening divisions within the bloc over its clean energy strategy.

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

"Today, together, we set a new ambitious target for America — the United States communicating a new nationally determined contribution under the leadership of President Joe Biden. The United States — all of us working together — will reduce our emissions by 61 to 66 percent by 2035, relative to 2005 levels — all

greenhouse gases covered, every sector of the economy reached. This entire range is on a linear or steeper-than-linear trajectory to net zero by 2050, meaning that America will do its part to keep 1.5 degrees alive.”

-White House National Climate Adviser Ali Zaidi on the U.S. Nationally Determined Contribution ([White House Briefing Room](#) – December 19, 2024)

Congressional Hearings (December 16 - 20, 2024)

Senate

[Next to Fall: The Climate-Driven Insurance Crisis is Here – And Getting Worse](#)

Senate Budget

Wednesday, December 18, 10:00 AM ET

House of Representatives

No relevant hearings.

Federal Agency Climate News

Department of Energy

[U.S. Department of Energy Completes LNG Study Update, Announces 60-Day Comment Period](#)
(December 17)

[Biden-Harris Administration Announces Three High-Priority Areas Advancing in National Interest Electric Transmission Corridor Designation Process](#) (December 16)

[DOE Invests \\$6 Million to Design an Onshore/Offshore Carbon Dioxide Transport System](#) (December 13)

[DOE Partners with Federal Agencies and Industry on Action Plans for Energy and Emissions Innovation Across U.S. Transportation Sectors](#)
(December 12)

[U.S. Department of Energy Announces New Research, Technology, and Economic Security Framework](#) (December 11)

White House

[FACT SHEET: President Biden Sets 2035 Climate Target Aimed at Creating Good-Paying Union Jobs, Reducing Costs for All Americans, and Securing U.S. Leadership in the Clean Energy Economy of the Future](#) (December 19)

[Press Call by Senior Administration Officials on the U.S. Nationally Determined Contribution](#)
(December 19)

[Readout of White House Sustainable Freight Workshop](#) (December 18)

Environmental Protection Agency

[Biden-Harris Administration Announces Nearly \\$1.6 Billion in Environmental and Climate Justice Community Change Grants](#) (December 12)

Funding and Comment Opportunities

U.S.-Danish Floating Offshore Wind Energy Mooring and Anchoring Research and Development

Department of Energy

Close Date: January 14, 2025

Generation III+ Small Modular Reactor Pathway to Deployment

Department of Energy

Close Date: January 17, 2025

Oceans of Opportunity: U.S. Wave Energy Open Water Testing

Department of Energy

Close Date: January 30, 2025

Advanced Hydrogen and Fuel Cell Technologies to Drive National Goals

Department of Energy

Close Date: January 31, 2025

Notice of Intent to Issue Funding Opportunity: Wind Turbine Technology Recycling

Department of Energy

Close Date: February 11, 2025

Energy Storage Pilot Demonstrations

Department of Energy

Close Date: February 13, 2025

Request for Information: Defining Sustainable Maritime Fuels in the United States

Department of Energy

Close Date: February 28, 2025

Notice of Intent to Issue Funding Opportunity: Regional Direct Air Capture Hubs – Recurring Program

Department of Energy

Close Date: To be announced

Notice of Intent to Issue Funding Opportunity: Point Source Carbon Capture Large-Scale Pilots, Commercial Demonstrations, & Networked Demonstration

Department of Energy

Close Date: To be announced

D.C. Climate Events

No upcoming DC-based climate events.

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

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