

Climate Policy Update

November 6, 2022

Good evening! This is Akin Gump's weekly policy newsletter on **climate change** policy and regulatory developments, providing information on major climate policy headlines from this past week and forthcoming climate-related events and hearings:

National

- **Summary of Monumental Drought Relief Funding** (*Speaking Sustainability*)
The Department of Interior (DOI) recently announced the Lower Colorado River Basin System Conservation and Efficiency program, which is funded through the Inflation Reduction Act. The program is seeking proposals for “projects that advance water conservation and efficiency efforts and prevent the Colorado River Basin from declining to critically low elevations.” The proposal deadline is fast-approaching on November 21.
- **Biden-Harris Administration Makes Historic Investment in America’s National Labs, Announces Net-Zero Game Changers Initiative** (*White House*)
The Biden-Harris administration announced a \$1.5 billion investment to “build and upgrade America’s national laboratories” to drive clean energy solutions. The White House additionally released a report identifying “five initial priorities that will help enable the United States to meet the President’s goal of cutting greenhouse gases by 50-52 percent in 2030 and get to net-zero emissions by no later than 2050.”
- **Federal Landlord Phasing Out Fossil Fuel Equipment** (*E&E News*)
The General Services Administration announced that it will not use funding from the Inflation Reduction Act to “install fossil fuel-based equipment at any of its 1,500 buildings across the country.” As a reflection of the Biden-Harris administration’s efforts to incorporate climate polices across agencies, “GSA has committed to achieving net-zero greenhouse gas emissions by midcentury.”
- **Republicans Plan an Energy Agenda Designed to Keep Democrats on Their Heels** (*Politico*)
As Republicans plan to assume the majority in the House of Representatives, their energy agenda will focus on “faster approval of fossil fuel projects and probes of how the Biden-Harris administration is spending its hundreds of billions in

climate dollars.” Additionally, the effort is likely to incorporate elements of Leader Kevin McCarthy’s (R-CA) previously released energy strategy, which seeks to address gas prices and increase all types of energy production.

- [Manchin Eyes Defense Bill for Stalled Permitting Reform](#) (*E&E News*)
At Stanford University’s Global Energy Forum, Sen. Joe Manchin (D-WV) indicated that he seeks to include his permitting reform language into the 2023 National Defense Authorization Act (NDAA). With the expectation of a Republican-controlled Congress, Democrats are “motivated to address permitting concerns” and President Biden has “reiterated his support for changes.”
- [Climate Change Eclipsed by Inflation, Abortion in US Midterm Races](#) (*Bloomberg*)
As the 2022 midterm election approaches, polling reveals that the “climate crisis is not a deciding issue in the final stretch.” Climate change continues to “remain a low priority for Republicans” and “recent election cycles show a shift is underway among Democrats, in part due to moderates’ growing concern about the issue and increased political participation by younger voters who have only known a warming world.”

State and Local

- [How a GOP Governor Could Derail New York’s Climate Law](#) (*E&E News*)
Rep. Lee Zeldin (R-NY), the Republican gubernatorial candidate in New York, is approaching Gov. Kathy Hochul (D-NY) in the polls. Rep. Zeldin has the “potential to derail one of the most ambitious state climate plans in the country” and has pledged to “reverse the state’s 2015 ban on hydraulic fracturing.”
- [Report on California Climate Impacts ‘Paints a Pretty Grim Picture’](#) (*Scientific American*)
The California Office of Environmental Health Hazard Assessment’s “Indicators of Climate Change in California” report found that “impacts are hitting California sooner and more forcefully than previously expected.” The report highlights California’s “fiscal 2022-23 budget to deal with drought, reduce wildfire risk, transition away from fossil fuels, and tackle other climate-related issues” as well as its “mandate to sell increasing numbers of zero-emission vehicles.” However, the state “simultaneously wrestles with worsening climate impacts.”
- [Pennsylvania’s RGGI Linkage Uncertainty, Legal Woes to Continue Past Election](#) (*Carbon Pulse*)
Despite the potential of Attorney General Josh Shapiro (D-PA) winning the gubernatorial bid, Pennsylvania’s legal challenges around its Regional Greenhouse Gas Initiative (RGGI) are likely to persist. Attorney General Shapiro has previously expressed hesitancy when discussing Pennsylvania’s participation in RGGI; however, it is expected that “Shapiro would defend the RGGI rulemaking if he were to win the governorship.”

International

- **[Five Tensions that Could Derail the COP 27 Climate Summit](#)** (*E&E News*)
As COP27 approaches, various conflicts are expected to hinder efforts to address climate change. This includes tension between “some of the world’s largest emitters,” a “widening gap between what countries have committed to pay” to address climate-related disasters, climate reparations, “debate over the future of natural gas,” and the reality that “almost none of the world’s major emitters have updated their national targets to tackle climate change.”
- **[COP 27 – Big Finance’s Hopes Face in Climate of War](#)** (*Reuters*)
As businesses face mounting “pressure to channel money into curbing climate change,” COP27 is poised to focus on “the Ukraine war, high energy prices, and geopolitical tensions.” In recent interviews, multiple finance leaders expressed that COP27 will set “the pace of regulation,” which will determine how companies plan their climate policies.
- **[COP 27 Q&A: Global Impacts & Expected Climate Outcomes](#)** (*United Nations Foundation*)
The U.N. Foundation’s Vice President for Climate and the Environment Pete Ogden explained that the upcoming COP will focus on implementation and will largely reflect the needs of the host country’s continent. He outlined that he will be “looking for signs of credible political will” to address climate change and underscored that he will “be closely watching to see if China comes to this COP with new initiatives to help us get on a path to climate sustainability.” Ogden additionally noted that the next phase of climate action will reveal a ripple effect from the Inflation Reduction Act and include the “recognition of the need to finance and scale up investment in adaptation measures in countries around the world.”
- **[More Than 100 CEO Climate Leaders Share an Open Letter for World Leaders at COP27](#)** (*We Forum*)
Members of the Alliance of CEO Climate Leaders drafted a letter outlining the actions “governments and businesses need to take to unlock the potential of the private sector and to move towards a path that limits global warming to 1.5 degrees Celsius.” The group of CEOs called for private sector partners to set science-based targets and collaborate across sectors. They additionally called on government leaders to set climate targets, accelerate the clean energy transition, invest in mitigation and adaptation and harmonize reporting standards.
- **[Coal Was Meant to Be History. Instead, Its Use Is Soaring](#)** (*Bloomberg*)
Despite increased instances of climate-related disasters, “global coal power generation could set a record for a second-straight year and remains the world’s biggest source of electricity.” Further, companies continue to invest in new, coal-related projects regardless of climate scientists’ call for coal to be “phased out by 2040 to avoid the worst effects of climate change.”

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

Quotes of the Week

“I’ve tried to put it in the continuing resolution, and I’m working now on getting it in the [NDAA.]”

-Sen. Manchin discussing his permitting reform bill

([E&E News](#) — November 3, 2022)

“We closed the Paris Rulebook. We made unprecedented progress on coal, and on fossil fuel subsidies. We committed to rapidly scale up finance, and to double adaptation finance by 2025. We reiterated the urgency of action and support for loss and damage, and established serious work on funding arrangements. We hope that this will pave the way for a formal agenda item and tangible progress here in Egypt.”

-President Alok Sharma at the COP 27 opening ceremony

([UK Government](#) — November 6, 2022)

Upcoming Congressional Hearings (November 7 – 11, 2022)

Senate

No relevant Senate hearings.

House of Representatives

No relevant House hearings.

Federal Agency Climate News

The White House

[Biden-Harris Administration Makes Historic Investment in America’s National Labs, Announces Net-Zero Game Changers Initiative](#) (November 4)

U.S. Department of the Interior

[Interior Department Announces \\$21.53 Billion in Fiscal Year 2022 Energy Revenue, Highest-Ever Disbursements from Clean Energy from Federal Lands and Waters](#) (November 4)

Environmental Protection Agency (EPA)

[EPA Seeks Public Input on Inflation Reduction Act Programs to Fight Climate Change, Protect Health, and Advance Environmental Justice](#) (November 4)

[Biden-Harris Administration Announces Selection of 29 EPA Environmental Finance Centers to Help Communities Access Funds for Infrastructure Projects](#) (November 4)

U.S. Department of Energy (DOE)

[Biden-Harris Administration Announces \\$1.5 Billion From Inflation Reduction Act to Strengthen America's National Laboratories](#) (November 4)

[DOE Announces \\$43 Million To Support the Clean Energy Transition in Communities Across the Country](#) (November 2)

Funding Opportunities

[Pumped Storage Hydropower Wind and Solar Integration and System Reliability Initiative](#)
Department of Energy
Close Date: December 15, 2022

[Regional Clean Hydrogen Hubs](#)
Department of Energy
Close Date: November 7, 2022

Comment Opportunities

[Nationwide Recommendations for Impact Pile Driving Sound Exposure Modeling and Sound Field Measurement for Offshore Wind Construction and Operations Plans](#)
Department of the Interior
Close Date: December 12, 2022

[Greenhouse Gas Reduction Fund](#)
Environmental Protection Agency
Close Date: December 15, 2022

[Climate Pollution Reduction Grants](#)
Environmental Protection Agency
Close Date: January 18, 2023

[Transportation Programs](#)
Environmental Protection Agency
Close Date: January 18, 2023

[Methane Emissions Reduction Program](#)

Environmental Protection Agency

Close Date: January 18, 2023

[Funding to Address Air Pollution](#)

Environmental Protection Agency

Close Date: January 18, 2023

[Low Emissions Electricity Program & GHG Corporate Reporting](#)

Environmental Protection Agency

Close Date: January 18, 2023

[Section 45W Credit for Qualified Commercial Clean Vehicles and Section](#)

[30C Alternative Fuel Vehicle Refueling Property Credit](#)

Internal Revenue Service

Close Date: December 3, 2022

[Credit for Carbon Oxide Sequestration](#)

Internal Revenue Service

Close Date: December 3, 2022

[Credits for Clean Hydrogen and Clean Fuel Production](#)

Internal Revenue Service

Close Date: December 3, 2022

Upcoming D.C. Climate Events (Registration)

[Winter is Coming: Europe, Energy, and Climate Change](#)

Georgetown University

Monday, November 7, 12:30 PM EST

[China-Russia Natural Gas Ties](#)

The Atlantic Council

Wednesday, November 9, 9:00 AM EST

[Confronting Dual Crises: Advancing Climate Progress During an Energy Crisis](#)

Resources for the Future

Thursday, November 10, 8:00 AM EST

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

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