

# Climate Policy Update

December 18, 2023

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

## National

- **Republicans Were a Force at Climate Summit. Now What?** (*E&E News*)

Members of the GOP that attended the Conference of Parties 28 (COP28) “appeared determined to show their party has moved beyond climate science denialism and is now serious about lowering carbon emissions.” As such, Republicans discussed collaboration with their Democratic colleagues about nuclear energy and applauded Climate Envoy John Kerry for ensuring that traditional energy stakeholders were involved in negotiations.

- **Fewer Electric Vehicles Will Qualify for Federal Tax Credits in 2024** (*New York Times*)

More stringent rules rooted in the Inflation Reduction Act (P.L. 117-169; IRA) will “reduce the number of electric cars that qualify for a federal tax credit.” In addition to only being available to cars manufactured in the United States, the new restrictions will disqualify “vehicles containing components made in China or made elsewhere by a firm under the control of the Chinese government.”

- **Is Climate-Friendly Flying Possible? Biden Administration Places a Big Wager.** (*Washington Post*)

The Biden administration released its plan to make airplane travel more climate-friendly calling for “giving subsidies to support the development of ‘sustainable aviation fuels,’ capable of powering jet engines from agricultural products.”

## State and Local

- **RGGI Working Group Co-Chairs Mike Dunleavy and Jackson Morris Call on Legislators to Come to the Table, Work with Shapiro Administration on Concrete Energy Plan in New Op-Ed** (*Gov. Josh Shapiro*)

Gov. Josh Shapiro (D-PA) highlighted that the co-chairs of his Regional Greenhouse Gas Initiative (RGGI) Working Group—Mike Dunleavy and Jackson Morris—penned an op-ed urging lawmakers to

work with the Shapiro administration on a “cap-and-invest carbon regulation for the power sector that generates revenue to support the Commonwealth’s energy transition.”

- **Western States Are Brawling Over the Colorado River. That Could Spell Trouble for Biden.** (*Politico*)

Ahead of a March deadline, Western states—including Arizona, Nevada, Colorado and California—are rushing “to cut a deal to dramatically shrink their use of the drought-stricken Colorado River ahead of a March deadline from the Biden administration.”

- **Gov. Inslee Proposes Another \$941 Million for Clean Energy, Climate Action in WA** (*Seattle Times*)

Gov. Jay Inslee (D-WA) “proposed on Monday another \$941 million for action on climate change, including environmental justice, clean energy and transportation projects, in his 2024 supplemental budget.” This comes as the state is bringing significant income from its carbon-pricing program.

## International

- **EU Countries Back Law to Curb Packaging Waste** (*Reuters*)

The European Union (EU) greenlit a new law to “cut packaging waste but agreed to seek exemptions for certain sectors.” The rules include a target that, by 2030, “all packaging will need to be designed so that it can be recycled.”

- **EU Warns Countries Are Off Track for 2030 Climate Goal** (*Reuters*)

The European Commission (EC) noted that EU “countries are falling behind on their core climate change target and without stronger emissions-cutting policies risk missing the goal.”

- **Global Coal Demand Expected to Decline in Coming Years** (*International Energy Agency*)

The International Energy Agency’s annual coal market report estimated a “drop in global coal consumption over its forecast period.” The report notes that the “decline is set to be driven by the major expansion of renewable energy capacity coming online in the three years to 2026.”

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

*“We outlined a detailed vision that would benefit all Pennsylvanians — a vision Shapiro has embraced and vowed to carry forward. All we need now are legislative leaders in Harrisburg who are willing to come to join us at the table and work to develop a concrete plan, based on our shared vision, that will protect and create energy jobs, address climate change, and ensure Pennsylvanians have access to reliable, affordable power for the long-term.”*

— RGGI Working Group Co-Chairs Mike Dunleavy and Jackson Morris (**Gov. Josh Shapiro** – December 15)

## Congressional Hearings (December 18 - December 22, 2023)

## Senate

*No relevant Senate hearings.*

## House of Representatives

*No relevant House hearings.*

## Federal Agency Climate News

### Department of Energy

[Interagency Statement by the Agencies Participating in the Sustainable Aviation Fuels Lifecycle Analysis Working Group](#) (December 14)

### Department of Interior

[Interior Department Publishes Final 2024–2029 National Outer Continental Shelf Oil and Gas Leasing Program, Enabling Offshore Wind Industry to Progress](#) (December 15)

### Environmental Protection Agency

[Biden-Harris Administration Announces \\$350 Million to 14 States to Reduce Methane Emissions from Oil and Gas Sector as Part of Investing in America Agenda](#) (December 15)

### White House

[Biden-Harris Administration Takes Action to Accelerate America’s Clean Transportation Future](#) (December 14)

[Statement from President Joe Biden on Agreement Reached at COP28](#) (December 13)

## Funding and Comment Opportunities

### [Climate Pollution Reduction Grants](#)

#### Environmental Protection Agency

Close Date: April 1, 2024

### [Transmission Siting and Economic Development Program](#)

#### Department of Energy

Close Date: April 5, 2024

### [Battery Materials and Battery Manufacturing Grants](#)

#### Department of Energy

Close Date: March 19, 2024

## D.C. Climate Events

### [Commitment to Environmental Justice Press Conference](#)

#### Office of the Vice President

Monday, December 18, TBD

### [Open Meeting](#)

#### Department of Energy and the Federal Energy Regulatory Commission

Tuesday, December 19, 10:00 A.M. ET

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

Kenneth J. Markowitz

Dario J. Frommer

Stacey H. Mitchell

Christopher A.  
Treasor

akingump.com