

# Climate Policy Update

February 6, 2024

Good morning!

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

## National

- **FERC Set to Continue LNG Reviews Despite Biden's DOE Pause** (*E&E News*)

The Federal Energy Regulatory Commission (FERC) is slated to “carry out reviews of natural gas export terminals as usual following the Biden administration’s decision to pause Department of Energy [(DOE)] approvals.”

- **US and Global Climate Policy: Can Podesta Do Both?** (*E&E News*)

With President Joe Biden tapping him to serve as the Senior Adviser to the President for international climate policy, John Podesta must balance the disbursement of the *Inflation Reduction Act* (IRA; [P.L. 117-169](#)) and “manage America’s domestic and international efforts to address rising temperatures.”

- **Treasury Ramps Up Efforts to Finalize Clean Energy Tax Credit Rules Ahead of 2024 Elections** (*Politico*)

The Treasury Department is anticipated to “issue guidance in the coming months to finalize rules governing how clean energy tax credits can be monetized” under the Inflation Reduction Act (IRA). Moreover, the Department will begin to establish rules regarding the law’s technology-neutral credits that will kick in by 2025.

- **Committees to Dissect Biden LNG Export Clampdown** (*E&E News*)

In response to the President’s decision to “pause liquefied natural gas [(LNG)] export approvals,” the Senate Energy and Natural Resources Committee will hold a hearing with DOE Deputy Secretary David Turk serving as witness to defend the administration’s decision. Meanwhile, the Energy and Commerce Committee in the House is poised to hold a hearing of its own. Finally, both chambers are rolling out related LNG legislation.

- **GOP Lawmakers Launch Effort to Overturn Biden Gas Furnace Rule** (*Politico*)

Sen. Ted Cruz (R-TX) is leading an effort to “undo the Biden administration’s rule setting stricter efficiency standards for residential gas furnaces.” The Congressional Review Act resolution is anticipated to have support from 30 other GOP senators.

## State and Local

- **[A State Pollution Tax Raise \\$2 Billion. Can it Survive the Backlash?](#)** (*Politico*)

Despite Washington's cap-and-trade program bringing in nearly \$2 billion in its first year, "opponents are mobilizing to try to snuff out a program still in its infancy." Specifically, opponents are concerned that the carbon market has boosted gas prices.

- **[California's Biggest Hydrogen Bill is Dead, For Now](#)** (*Politico*)

California Assemblymember Steve Bennett's AB 1550 "would have limited the materials and methods hydrogen producers may use to derive the molecule and set strict rules for how they procure energy for the process." However, the measure was shot down by the full Assembly before the deadline to further bills introduced over the past year.

- **[Largest U.S. Offshore Wind Project Gets Key Federal Approvals](#)** (*Politico*)

The Coastal Virginia Offshore Wind project "received its final approval [...] from the Bureau of Ocean Energy Management of its Construction and Operations Plan, which authorizes offshore construction of the project." The project was additionally greenlit by the U.S. Army Corps of Engineers.

## International

- **[U.N. Climate Chief Warns Countries Against 'Hiding Behind Loopholes'](#)** (*New York Times*)

Simon Stiell, the United Nations Climate Chief, "painted an optimistic picture of the fight against global warming while taking a job at countries that avoid meeting their obligations by 'hiding behind loopholes' in global agreements."

- **[EU Mulls Emergency Aid for Collapsing Solar Producers](#)** (*Politico*)

The European Commission is considering "emergency measures to buoy drowning [European Union] solar manufacturers who say Chinese subsidies are suffocating the industry."

- **[US, EU Discuss Chinese Electric Vehicle Concerns](#)** (*Politico*)

U.S. and EU officials are determining "how to respond to Chinese subsidies that are powering exports of that country's electric vehicles and have already triggered an EU trade investigation." Additionally, the two parties are assessing supply chain and information security related to concerns.

- **[Canada's Budget Watchdog Puts Price on Clean Hydrogen Investment Tax Credit](#)** (*Politico*)

As Canada finalizes its clean hydrogen investment tax credit, the Parliamentary Budget Office "released its cost analysis of the proposed 45-40 percent refundable tax credit," totaling \$5.7 billion over five years.

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

“In line with our standard practice, we are focused on matters properly filed and pending before FERC, and we defer to DOE on issues within DOE’s exclusive jurisdiction.”  
– FERC Acting Chair Willie Phillips ([E&E News – February 2](#))

## Congressional Hearings (February 5 - February 9, 2023)

### Senate

#### [Hearings to Examine the Administration’s Pause on LNG Export Approvals and the DOE’s Process for Assessing LNG Export Applications](#)

Senate Energy and Natural Resources Committee

Thursday, February 8, 9:30 AM ET

### House of Representatives

#### [Politics Over People: How Biden’s LNG Export Ban Threatens America’s Energy and Economic Security](#)

House Energy and Commerce Energy, Climate, and Grid Security Subcommittee

Tuesday, February 6, 10:00 AM ET

## Federal Agency Climate News

### Department of Energy

[Biden-Harris Administration Announces Nearly \\$72 Million in Largest Single Investment to Support America’s Hydropower Facilities](#) (February 2)

[DOE Finalizes Cost-Saving Efficiency Standards for New Cooking Products, Based on Recommendations from Manufacturers and Consumer Advocates](#) (January 29)

[DOE to Update Public Interest Analysis to Enhance National Security, Achieve Clean Energy Goals and Continue Support for Global Allies](#) (January 26)

## 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

### [Section 45V Credit for Production of Clean Hydrogen](#)

#### Department of Treasury

Close Date: February 26, 2024

## D.C. Climate Events

### Dissecting the Myth of Just Energy Transition

**New America**

Wednesday, February 7, 10:00 AM ET

### Building U.S. Nuclear Energy Independence: The Russia Connection

**Atlantic Council**

Thursday, February 8, 10:30 AM ET

### Outlook for 2024 Global and Japanese Energy

**Center for Strategic and International Studies**

Thursday, February 8, 2:00 PM ET

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

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