



Climate Policy Update

January 5, 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 two weeks and forthcoming climate-related events and hearings:

National

- **[Biden Admin Unveils Tax Rules for 'Clean' Hydrogen](#)** (*E&E News*)

The Department of the Treasury issued tax guidance that would require “companies to use low-carbon or zero-emissions energy to power the hydrogen production process—a move designed to keep emissions in check for the emerging industry.” While green groups and some hydrogen companies have expressed support for the rules, other industry groups have characterized them as “too strict.”

- **[Manchin Opens New Front in War on Biden EV Policies](#)** (*E&E News*)

Sen. Joe Manchin (D-WV) requested the Government Accountability Office to “issue a legal opinion on whether guidance from the Treasury Department could be undone using the Congressional Review Act.” Specifically, Sen. Manchin has expressed concern that the Department of the Treasury's sourcing standards for the Inflation Reduction Act's electric vehicle (EV) tax credits are “too lax.”

- **[A Natural Gas Project is Biden's Next Big Climate Test](#)** (*New York Times*)

The Biden administration's Energy Department is slated to determine whether Calcasieu Pass 2—a “\$10 billion facility that would allow the United States to export vast stores of liquefied natural gas”—is a project of public interest. Particularly with an upcoming election, the President must reconcile climate priorities, efforts to keep gas prices steady and “fend off Republican accusations that he is hampering American energy development.”

State and Local

- **[California Regulators Vote to Extend Diablo Canyon Nuclear Plant Operations Through 2030](#)** (*Associated Press*)

California regulators green-lit the “Diablo Canyon nuclear plant to operate for an additional five years, despite calls from environmental groups to shut it down.” Specifically, the California Public Utilities Commission extended the plant’s operation through 2030 rather than 2025.

- **Biden Administration Grants Louisiana Power to Approve Carbon Capture Wells** (*ABC*)

The Biden administration has enabled Louisiana to “issue permits for wells that store carbon dioxide, a critical component of carbon capture and removal technology.” Supporters argue that the move will “speed up approvals of new projects that are critical for reducing climate-warming greenhouse gas emissions” while others are concerned whether the state will engage in proper oversight.

International

- **Climate Scientists Hail 2023 as ‘Beginning of the End’ for Fossil Fuel Era** (*Guardian*)

Climate analysts anticipate that “2023 may be recorded as the year in which annual emissions reached a pinnacle before the global fossil fuel economy begins a terminal decline.” As such, the milestone may serve as a turning point in drawing emissions down to net zero.

- **Portugal’s Renewable Energy Production Hit New Record in 2023** (*Reuters*)

Renewables accounted for 61% of Portugal’s electricity supply in 2023, “up 49 percent a year earlier, hitting a new record.” This comes as the country seeks to “generate 85 percent of its annual electricity from renewable sources by 2030.”

- **Germany’s 2023 Renewable Power Installations Hit Record, But Wind Sector Lags** (*Reuters*)

Germany’s solar and wind generation “hit a record in 2023 but only photovoltaic energy reached the government’s targets.” Of note, the country aims to “cover 80 percent of its electricity needs from renewables by 2030, up from 52 percent in 2023.”

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

“Clean hydrogen will be critical in reducing emissions from harder-to-decarbonize sectors like heavy industry and heavy transportation [...] Treasury’s proposal will help build that clean hydrogen industry, while including important environmental safeguards.”

— John Podesta (*E&E News – December 22*)

Congressional Hearings (January 1 - 5, 2023)

Senate

No relevant Senate hearings.

House of Representatives

No relevant House hearings.

Federal Agency Climate News

Department of Energy

[DOE Finalizes Efficiency Standards for Residential Refrigerators and Freezers, Closing Out Remarkable Year of Cost-Saving Progress](#)

(December 29)

[U.S. Department of Energy Top Clean Energy Accomplishments in 2023](#) (December 21)

[Biden-Harris Administration Announces \\$40 Million to Train the Clean Energy Workforce](#)

(December 20)

[Biden-Harris Administration Announces \\$530 Million for Building Energy Efficiency and Resilience to Cut Consumer Costs](#) (December 18)

White House

[Press Call by Vice President Harris on the Biden-Harris Administration's Commitment to Environmental Justice](#) (December 20)

[Biden-Harris Administration Announces American Climate Corps Listening Sessions, New Actions to Mobilize the Next Generation of Clean Energy, Conservation, and Resilience Workers](#) (December 19)

Environmental Protection Agency

[EPA report: US Fuel Economy Marks a New Record High; CO2 Emissions Reach Record Lows, and All Large Manufacturers Meet Greenhouse Gas Standards](#) (December 20)

[Biden-Harris Administration Announces \\$600M to 11 Grantmakers to Fund Thousands of Environmental Justice Projects Across the Nation as Part of Investing in America Agenda](#) (December 20)

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

No relevant events.

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