

# Climate Policy Update

October 24, 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

- **DOD Report Says Climate Change 'Undermining Military Readiness'** (*13 News Now*)  
A Department of Defense (DOD) report outlined that climate change is undermining military readiness by amplifying “operational demands on the force, degrade installations and infrastructure resilience.”
- **Meeting Investor Demand for High Quality ESG Data** (*Securities Exchange Commission*)  
The Securities Exchange Commission's (SEC) Jaime Lizarrage spoke at an event in London, outlining the commission's efforts to ensure environmental, social, and governance (ESG) disclosures are not misleading. He noted that proposed SEC rules seek to enhance issuers' climate risk disclosures, bolster registered funds and investment advisors' ESG disclosures, and modernize ESG-related fund name rules.
- **Treasury's Federal Insurance Office Takes Important Step to Assess Climate-Related Financial Risk—Seeks Comment on Proposed Data Call** (*Department of Treasury*)  
The Department of Treasury's (Treasury) Federal Insurance Office issued a request for public comments regarding a “proposed collection of data from property and casualty insurers regarding current and historical underwriting data on homeowners' insurance.”
- **FHWA Steps Up Efforts to Tackle Greenhouse Gas Emissions from Highway Construction with \$7.1 Million for 'Climate Challenge' Participants** (*Department of Transportation*)  
The Department of Transportation's (DOT) Federal Highway Administration (FHWA) announced \$7.1 million in funding for 25 different state DOTs participating in FHWA's Climate Challenge. The Climate Challenge seeks to “quantify the impacts of sustainable pavements and to demonstrate ways to reduce greenhouse gas emissions in highway projects using sustainable construction materials.” This funding is released to further the Biden-Harris administration's Federal Buy Clean Initiative.

- [Grassley, Ernst Urge EPA to Set Robust RFS Blending Volumes to Reflect Biofuel Industry Growth](#) *(Sen. Chuck Grassley)*  
Sens. Chuck Grassley (R-IA) and Joni Ernst (R-IA), along with a bipartisan group of senators, penned a letter to the Environmental Protection Agency (EPA), urging the establishment of “expanded renewable volume obligations in the upcoming ‘set’ rule under the Renewable Fuel Standard (RFS).”
- [Bodies of water all over North America are drying up due to drought, climate change: Experts](#) *(ABC)*  
The U.S. Drought Monitor estimated that “about 82 percent of the continental U.S. [is] currently showing conditions between abnormally dry and exceptional drought.”

## State and Local

- [Governor Hochul Announces Over \\$13 Million to Protect Clean Water and Support New York Farmers in the Fight Against Climate Change](#) *(Gov. Kathy Hochul)*  
Gov. Kathy Hochul (D-NY) announced \$13 million in funding to support “agriculture water quality conservation projects, which will benefit 50 farms, enhance water quality in priority watersheds, and protect the environment.” The awarded projects span across 24 county Soil and Water Conservation Districts.
- [Wisconsin Governor’s Race May Dictate Fate of Clean Energy](#) *(E&E News)*  
The future of Wisconsin’s Public Service Commission (PSC) hinges on the outcome of Wisconsin’s gubernatorial election. The race between Gov. Tony Evers (D-WI) and Tim Michels (R-WA) will determine how the PSC leverages Inflation Reduction Act money and permit renewable energy projects.
- [State Accuses Defendants of Deceptive Business Practices in Concealing the Risks Posed by Oil and Gas for Decades, Driving Ongoing Use of Fossil Fuels](#) *(Attorney General Matthew Platkin)*  
Attorney General Matthew Platkin (D-NJ), the New Jersey Division of Consumer Affairs and the Department of Environmental Protection filed a lawsuit against Exxon Mobil, Shell, Chevron, BP, ConocoPhillips and the American Petroleum Institute, “alleging they knowingly made false claims to deceive the public about the existence of climate change and the degree to which their fossil fuel products have been acerbating anthropogenic global warming.”
- [The Magnetic Pull of Electric Vehicles is Slowly Drawing Texas In](#) *(Texas Climate News)*  
Texas’s number of registered electric vehicles (EVs) “grew by 55 percent from 2020 to 2021, with 81,000 EVs plying the Lone Star State’s roadways by the end of last year.” The state government is “actively engaged in preparing for the future wherein EVs overtake the market and the roadways,” particularly as neighboring states experience increased consumer interest in EVs.

## International

- **COP 27 Could End in Stalemate, Baerbock Warns** (*The Energy Mix*)  
German Foreign Minister Annalena Baerbock noted that there is “no guarantee that this year’s United Nations climate talks will result in an agreement that’s backed by all participating countries.” Baerbock outlined Germany’s intent to “announce new commitments for reducing emissions of methane” at COP 27.
- **At COP 27 In Egypt, Climate Accountability Will Be Challenging** (*Forbes*)  
Given the “energy crisis mainly caused by the Russian invasion of Ukraine, a continuing COVID health emergency, a global economic downturn tied to inflation, and a divided world reeling from various strains of authoritarianism”, as well as Egypt President Abdel Fattah al-Sisi imposing “severe restrictions on environmental groups” at COP 27, it is expected that meaningful results will not spur from the conference.
- **Finance Titans to Skip COP 27. Does It Matter?** (*E&E News*)  
Despite COP 27’s anticipated focus on finance, “major banks and asset managers, including BlackRock Inc. and Citigroup Inc., are not planning to send their CEOs to the U.N. climate conference [...] Instead they’ll be sending senior delegations.” While “investors and the private sector are not part of the formal negotiation process” executives’ pledges to reduce greenhouse gas emissions are “seen as key to driving the changes needed to prevent climate catastrophe.”
- **European Parliament Backs Fossil Non-Proliferation Treaty** (*Energy Mix*)  
The European Parliament passed a resolution calling on European Union nations to “begin developing a Fossil Fuel Non-Proliferation Treaty (FFNPT).” The resolution details the European Parliament’s goals for COP 27 and was approved about a “month after the World Health Organization urged governments to endorse the FFNPT, and after Vanuatu became the first nation state to call for a FFNPT at the UN.”
- **‘Massive Gaps’ Seen in Countries’ Plans to Tackle Climate Change – Study** (*Reuters*)  
A World Resources Institute report outlined that the Paris Agreement’s pledges are “‘woefully inadequate’ to avert a rise in global temperatures that scientists say will worsen droughts, storms, and floods.” The research called on countries to strengthen their targets to achieve the “Paris Agreement’s goal of limiting the global temperature rise by 1.5 degrees Celsius.”
- **What Will Rishi Sunak as Prime Minister Mean for the Climate?** (*The Independent*)  
Britain’s new prime minister, Rishi Sunak, has previously “said he is committed to keeping the government’s legally binding goal of reaching net zero emissions by 2050.” Additionally, he has reaffirmed support for “reforming farm payments” and has called for Britain to “insulate millions of homes, rewire the global financial system for net zero, and implement plans to protect a third of the UK for nature.”

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

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## Quotes of the Week

“Securing reliable, EPA-endorsed lifecycle analysis will encourage increased use of biofuels in domestic low-carbon fuel markets and expand export opportunities to the growing number of countries turning to biofuels to meet their energy needs and climate action goals.”

**-Sens. Chuck Grassley (R-IA) and Joni Ernst (R-IA) discussing EPA rules regarding RFS**

*([Sen. Chuck Grassley](#) – October 19, 2022)*

“It was absolutely crucial, ahead of the COP 27, to remind European leaders that they cannot use the ongoing energy crisis as an excuse to deepen our dependency on fossil fuels.”

**-Marie Toussaint, French member of the European Parliament, reacting to the European Parliament Resolution**

*([The Energy Mix](#) – October 23, 2022)*

## Upcoming Congressional Hearings (October 24-28, 2022)

### Senate

*No relevant Senate hearings.*

### House of Representatives

*No relevant House hearings.*

## Federal Agency Climate News

### The White House

[Biden-Harris Administration Rallies States, Cities, and Companies to Boost Clean American Manufacturing](#) (October 20)

[Remarks by Vice President Harris in a Conversation on Climate on “A Matter of Degrees” Podcast](#) (October 18)

### US Department of the Interior

[President Biden’s Bipartisan Infrastructure Law to Conserve Ecosystems, Clean Up Legacy Pollution Sites Across the Country](#) (October 18)

[Biden-Harris Administration Announces First-Ever Offshore Wind Lease Sale in the Pacific](#) (October 18)

Environmental Protection Agency (EPA)

[Biden-Harris Administration Seeks Public Input on Inflation Reduction Act's Greenhouse Gas Reduction Fund](#) (October 21)

U.S. Department of Energy (DOE)

[Biden-Harris Administration Announces \\$28 Million To Advance And Deploy Hydropower Technology](#) (October 21)

[DOE Awards \\$38 Million For Projects Leading Used Nuclear Fuel Recycling Initiative](#) (October 21)

[Biden-Harris Administration Awards \\$2.8 Billion to Supercharge U.S. Manufacturing of Batteries for Electric Vehicles and Electric Grid](#)  
(October 19)

[Biden-Harris Administration Announces \\$30 Million from Bipartisan Infrastructure Law to Speed Up Wind Energy Deployment](#)  
(October 18)

## Funding Opportunities

[Pumped Storage Hydropower Wind and Solar Integration and System Reliability Initiative](#)  
**Department of Energy**  
Close Date: March 10, 2023

[Water Power Projects: Innovative Technologies to Enable Low Impact Hydropower and Pumped Storage Hydropower Growth](#)  
**Department of Energy**  
Close Date: March 5, 2023

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

## Upcoming D.C. Climate Events (Registration)

[Electricity Advisory Committee](#)

**Department of Energy**

Thursday, October 27, 8:00 AM EST

[Tribal Voices on our Energy Future](#)

**United States Energy Association**

Monday, October 24, 1:00 PM EST

[Climate Change Population, and the Shape of the Future](#)

**The Wilson Center**

Tuesday, October 25, 11:00 AM EST

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

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