Climate Policy Update

August 29, 2022

Good evening! This is Akin Gump's <u>weekly policy newsletter</u> 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:

• Electric Day in California: State Phases Out Sale of Gas Cars (Cal Matters)

On Thursday, the California Air Resources Board (CARB) approved a new rule that bans new, gas-powered cars in California starting with 2035 models.

• Nuclear Options Are Still on the Table (Politico)

As California's legislative session draws to a close, various climate measure are being considered. More specifically, "a bill to extend the life of the Diablo Canyon Power Plant made it into print around 8 p.m. [Sunday] night," ahead of the legislature's 72-hour deadline. Senate Bill 905 was also released and seeks to "direct the Air Resources Board to develop rules for carbon capture, utilization and storage." Moreover, California's budget dropped Sunday night, which "came with an energy trailer bill, Senate Bill 126, that includes billions in additional spending."

• <u>Another 'Job Killer'</u> (Sacramento Bee)

Days before the end of the state's legislative session, the California Chamber of Commerce added Assembly Bill 2133 to its "Job Killer" list. The measure would increase the statewide greenhouse gas reduction target from 40 percent below 1990 levels to 55 percent by 2023.

• <u>3 States Tell FERC: Western Gas Project Violates Climate Laws</u> (E&E News)

The Attorneys General of California, Washington and Oregon released a comment arguing that the Federal Energy Regulatory Commission (FERC) should reject the TC PipeLines' Gas Transmission Northwest (GTN) Project "because it does not serve a public need in a region transitioning away from fossil fuels in favor of renewable energy."

• <u>7 States and Federal Government Lack Direction on Cutbacks from the Colorado River</u> (NPR)

The federal government gave Western states an August deadline to develop "a plan to conserve 2 to 4-million acre-feet of water" across the Colorado River. Now that the deadline has passed, "some of the region's leaders are calling for the federal government to take charge." Additionally, the federal government recently announced increases in water cuts starting in 2023 for Arizona, Nevada and Mexico although "it's still not clear what specific actions federal officials could or will take to prevent the reservoirs from declining to critically low levels."

• EPA to Designate PFAS, or 'Forever Chemicals,' as Hazardous (The New York Times)

The Environmental Protection Agency (EPA) announced on Friday that it would designate per- and polyfluoroalkyl substances (PFAS) as a hazardous substance. While the proposed rule does not ban the chemicals, it would "require companies to assess and report to the government when the chemicals seep into water or soil, and could make companies responsible for any cleanup costs."

• Biden Admin Deploys \$560M to Clean Up Orphaned Oil Wells (E&E News)

The Biden-Harris administration "awarded \$560 million to plug orphaned oil and gas well across 24 states." The award is part of a "\$4.7 billion orphaned well program greenlighted by last year's Infrastructure, Investment and Jobs Act." The aforementioned program offers grants to states to cover the cost of "finding abandoned wells, tracking their methane releases, plugging them to stem polluting gases and restoring the land at the surface."

<u>High Court Judgement on UK Government Net-Zero Strategy</u> (Speaking Sustainability) The High Court of England and Wales determined that the United Kingdom's Net Zero Strategy (NZS) violated the Climate Change Act of 2008 (CCA 2008). The ruling argued that the NZS "failed to comply with the requirements under Sections 13 and 14 CCA 2008."

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

"The climate crisis is solvable if we focus on the big, bold steps necessary to stem the tide of carbon pollution." -Gov. Gavin Newsom (D-CA) on the CARB policy to require new vehicles sold in California to be powered by electricity or hydrogen (Associated Press – August 25, 2022)

"[The National Environmental Policy Act], for all its benefits, doesn't mandate outcomes. All it mandates is that an agency accurately discloses the impacts—the environmental impacts—of a project."

-Earthjustice Attorney Jeremy Leib discussing the Willow Project

(<u>E&E News</u>– August 24, 2022)

Upcoming Congressional Hearings (August 29-September 2, 2022)

Senate	House of Representatives

The Senate is in recess August 29-September 2.

The House is in recess August 29-September 2.

Federal Agency Climate News

The White House

President Biden Signs Executive Order to Implement the CHIPS and Science Act of 2022 (August 25)

US. Department of the Interior

Through President Biden's Bipartisan Infrastructure Law, 24 States Set to Begin Plugging Over 10,000 Orphaned Wells (August 25)

Environmental Protection Agency (EPA)

EPA Report Highlights Significant Decline in Emissions, Improved Air Quality from Bipartisan Diesel Emissions Reduction Act (August 25)

EPA Proposes Designating Certain PFAS Chemicals as Hazardous Substances Under Superfund to Protect People's Health (August 26)

EPA Releases Guidance to Support Bipartisan Infrastructure Law Investments in Water Infrastructure for U.S. Territories and D.C. (August 26)

U.S. Department of Energy (DOE)

DOE Announces \$60 Million to Advance Clean Hydrogen Technologies and Decarbonize Grid (August 23)

DOE Announces \$540 Million for Technologies to Transform Energy Production and Cut Emissions (August 25)

U.S. Department of Energy Invests \$31 Million to Advance Carbon Capture and Storage for Natural Gas Power and Industrial Sectors (August 26)

Upcoming D.C. Climate Events (Registration)

National Security, Climate Resilience, and Environmental Protection The American Security Project Wednesday, August 31, 2022, 12:00 PM EST An Updated Social Cost of Carbon: Calculating the Cost of Climate Change

Resources for the Future Thursday, September 1, 2022, 1:00 PM EST For more information, please contact your regular Akin Gump lawyer or advisor, or:

Kenneth J. Markowitz

Stacey H. Mitchell

Dario J. Frommer

Christopher A. Treanor

akingump.com