

Energy & Sustainability Washington Update — February 2024

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ML Strategies Outlook for 2024

Congress returned for the second half of the 118th Congress in January with an immediate agenda focused on avoiding a government shutdown, a priority that has been punted several times through continuing resolutions, and finalizing spending plans for Fiscal Year 2024, which started on October 1, 2023. Read more about this process and other priorities in ML Strategies' Outlook for 2024, which also covers key dates and deadlines for the year, selected policy priorities we expect to be debated, an overview of the presidential primary season, and expected campaign issues. The outlook also discusses key regulatory and Executive Branch developments we are watching, including at the US Department of Energy (DOE), the Federal Energy Regulatory Commission (FERC), the Environmental Protection Agency (EPA), and the US Department of the Treasury, which will issue guidance on various energy- and energy efficiency-related tax provisions from the Inflation Reduction Act in coordination with DOE.

Biden Administration Continues Support for EV Industry

Continuing the push to create a nationwide electric vehicle (EV) charging infrastructure, the US Department of Transportation (DOT) on January 18 **announced** it was awarding \$150 million to 24 grant recipients in 20 states to make existing EV charging infrastructure more reliable with funds going toward repair or replacement of nearly 4,500 EV charging ports.

Earlier in the month, DOT's Federal Highway Administration announced \$623 million in grants to help build out the nationwide EV charging network.

Also on January 18, DOE **announced** more than \$131 million for projects to advance research and development (R&D) in EV batteries and charging systems, and funding for a consortium to address critical priorities for the next phase of widescale EV commercialization.

Federal Facilities Get Significant New Funding for Net-Zero Projects

DOE's Assisting Federal Facilities with Energy Conservation Technologies (AFFECT) program has made the first of three disbursements from the Bipartisan Infrastructure Law's \$250 million for energy conservation and clean energy projects at federal facilities. The recent **announcement** provides \$104 million for 31 Federal facilities. According to DOE, "The 31 selected projects are expected to double the amount of new carbon-free electricity capacity at Federal facilities over the amount brought online in 2022, resulting in 27 megawatts of additional clean-energy capacity. The projects will help Federal funding go further by leveraging more than \$361 million in private investment."

Bipartisan Infrastructure Law & Inflation Reduction Act Opportunities

Visit our **Energy Funding Matrix** for a roundup of various federal clean energy funding and financing opportunities. We update the matrix on a biweekly basis and welcome any inquiries about how the Bipartisan Infrastructure Law and Inflation Reduction Act, along with other relevant federal opportunities, may impact your business or organization.

New Legislation Supports Build Out of Transmission Lines

Reps. Sean Casten (D-FL) and Mike Levin (D-CA), members of the House Sustainable Energy and Environment Coalition (SEEC) and co-chairs of the SEEC Clean Energy Deployment Taskforce, led the introduction of the Clean Electricity and Transmission Acceleration (CETA) Act, a bill aimed that seeks to accelerate the development of energy transmission lines. The bill includes sections focused on the improvement of national electricity transmission capacity, the improvement of governance and efficiency of the grid, modernization of electricity ratemaking, facilitation of clean energy deployment on public land, modernization of offshore renewable energy permitting, and empowerment of communities. Seventy-seven Democratic members of the House of Representatives cosponsored the bill.

Senate Committee Advances PROVE IT Act

The Senate Environment and Public Works Committee on January 18 approved, in a bipartisan 14–5 vote, the Providing Reliable, Objective, Verifiable Emissions Intensity and Transparency (PROVE IT) Act of 2023, which would direct DOE to study and report on the greenhouse gas emissions released during the production of various commodities in the United States and other countries. The bill was introduced by Sens. Chris Coons (D-DE) and Kevin Cramer (R-ND) and is cosponsored by Sens. Angus King (I-ME), Lisa Murkowski (R-AK), Martin Heinrich (D-NM), Lindsey Graham (R-SC), Sheldon Whitehouse (D-RI), Bill Cassidy (R-LA), John Hickenlooper (D-CO), John Boozman (R-AR), Dick Durbin (D-IL), Mark Kelly (D-AZ), and Alex Padilla (D-CA).

Specifically, the PROVE IT Act would direct the Secretary of Energy to conduct a study, alongside the Department of Commerce, Environmental Protection Agency, Office of the US Trade Representative, Department of Homeland Security, and Department of State, to determine the average emissions intensity of covered products produced in the United States and identify any gaps in that data; determine the average emissions intensity of covered products produced by G-7 countries, free trade agreement partners, foreign countries of concern, and countries that hold a substantial global market share for a covered product; identify any issues with verifying the average product emissions intensity data from other countries; and determine the emissions intensity of produced in the United States compared to products produced in covered countries. In addition, the legislation would facilitate collaboration among entities with expertise in data collection and analysis, support international coordination on emissions intensity data, and establish a process for receiving data from private industry on a voluntary basis.

Authors



R. Neal Martin, Senior Director of Government Relations

R. Neal Martin is a Senior Director of Government Relations at ML Strategies. He focuses on transportation, infrastructure, clean energy, trade, and federal appropriations, leveraging his many years of experience in government and government relations.