

Energy & Sustainability Washington Update — February 2025

February 03, 2025 | Article | By [John Lushetsky](#), [R. Neal Martin](#), [Myria Garcia](#)

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As the new Trump administration settles into office, the energy and sustainability landscape is already seeing significant shifts and is poised for more. In this issue, we explore those latest developments and provide insights into President Trump's executive orders, the advancement of Trump's cabinet picks, and potential energy proposals that may make it into the budget reconciliation process.

Trump's Energy Executive Orders

On his first day in office, Trump released five energy-related executive orders (EOs), effective immediately:

Unleashing American Energy:

This EO is getting the most attention in energy circles as it covers several objectives to promote domestic energy production while terminating the "green new deal," consistent with Trump administration campaign promises. There are several specified actions, including lifting the natural gas export pause, terminating previous Biden administration EOs, and directing review of permitting and environmental policies and procedures, especially as related to mining or fossil fuel production, to ensure they are consistent with Trump administration policy objectives.

The biggest impact, however, is a 90-day pause on the disbursement of Inflation Reduction Act (IRA) and Infrastructure Investment and Jobs Act (IIJA) funds, during which agencies "shall review their processes, policies, and programs for issuing grants, loans, contracts, or any other financial disbursements of such appropriated funds" and ensure that they are consistent with administration energy priorities. A subsequent OMB memo, issued late on January 27, extended the pause to not just disbursements but essentially all activities leading to awards and obligations involving federal financing assistance, including loans and grants. This touched off a series of events during the second week of the Trump administration, with several nonprofit groups suing that the memo violated statutes and the constitution, and a federal judge issuing an order halting the OMB pause on disbursements but not the pause on new award activities. OMB eventually withdrew the January 27 memo but not the executive order. A second judge issued a ruling later in the week to challenge the halt on disbursements, which is in effect at this time. All of this is likely tied up to a challenge by the administration of the Impoundment Control Act and Congress's constitutional role in appropriating funds, which could play out over weeks and months of the administration and eventually reach the Supreme Court. However, in the near term, this will likely halt all DOE new funding activities tied to the IRA or annual appropriations.

The big question is whether the pause will be extended and what will be done to projects that have been selected but not awarded. However, even this first relatively minor action can be expected to generate a number of calls from industry reps and constituents.

As an indication of the challenges the administration could see on IRA funding more generally, additional House Republicans have voiced their concerns on the record about the law's clean energy tax provisions, emphasizing that projects in their district could be impacted if they were rescinded and emphasizing job creation in their communities. Reps. Ashley Hinson (R-IA), Wesley Hunt (R-TX), Eric Houchin (R-IN), John James (R-MI), Dan Meuser (R-PA), and freshman Jeff Hurd (R-CO) specifically called for the protection of the Clean Fuel Production Credit (45Z), Clean Electricity Production Credit (45Y), Clean Electricity Investment Credit (48E), Advanced Manufacturing Credit (45X), Carbon Sequestration Credit (45Q), and Nuclear Production Tax Credit (45U). This was all in addition to the 18 members of Congress who signed a [letter](#) to House Speaker Mike Johnson (R-LA) back in August urging that the tax cuts be

preserved.

Temporary Withdrawal of All Areas on the Outer Continental Shelf from Offshore Wind Leasing and Review of the Federal Government's Leasing and Permitting Practices for Wind Projects:

This EO temporarily withdraws all areas on the Outer Continental Shelf (OCS) from offshore wind energy leasing until further notice and mandates a temporary cessation of new approvals, permits, or loans for onshore and offshore wind projects across federal agencies. The EO does not revoke existing leases but does direct the secretary of the interior, the secretary of energy, and the administrator of the Environmental Protection Agency to examine the environmental and economic consequences of defunct windmills and recommend actions for their removal. Trump later singled out the Atlantic Shores South wind farm project off New Jersey's shore, saying, "Hopefully, the project is dead and gone, as almost all unsightly and environmentally unsound Windmill projects should be." The Interior Department **approved** the Atlantic Shores South offshore wind energy project last year, one of 11 similar ventures under the Biden administration. There are currently five major projects on the East Coast with construction underway.

Declaring a National Energy Emergency:

This EO orders the DOE and EPA to identify and exercise any lawful emergency authorities available to them to facilitate and expedite the identification, leasing, siting, production, transportation, refining, and generation of domestic energy resources. This may include authorizing emergency fuel waivers to allow the year-round sale of E15 gasoline to meet any projected temporary shortfalls in the supply of gasoline, issuing projects on federal lands, and giving companies exemptions from Endangered Species Act requirements. However, these emergency orders are on shaky legal footing, especially since the Supreme Court last year overturned the *Chevron* doctrine which gave deference to federal agencies in interpreting laws. Getting expedited approvals for fossil fuel projects is likely to run into plenty of legal roadblocks.

Unleashing Alaska's Extraordinary Resource Potential:

This EO directs federal agencies to rescind or revise restrictions, policies, and environmental reviews that limit resource development on federal and state lands in Alaska. This includes opening the Arctic National Wildlife Refuge (ANWR) and National Petroleum Reserve in Alaska Petroleum up to oil drilling. The EO further tasks agencies with expediting the permitting, leasing, and infrastructure projects critical for developing Alaska's resources, particularly its liquefied natural gas (LNG) industry and the Trans-Alaska Pipeline System.

Putting America First in International Environmental Agreements:

This EO withdraws the US from the Paris Agreement under the United Nations Framework Convention on Climate Change and revokes the US International Climate Finance Plan.

Trump's Cabinet Picks Advance

On January 30, 2025, Doug Burgum was confirmed as secretary of the interior, and Lee Zeldin was confirmed as administrator of the Environmental Protection Agency. Chris Wright's nomination for Secretary of Energy is scheduled for February 3, and he is likely to get confirmed. The confirmation hearings of all three went relatively smoothly with little controversy. Burgum advanced with a bi-partisan vote of 18–2, with Sens. Ron Wyden (D-OR) and Mazie Hirono (D-HI) opposing. Wright advanced 15–5, with Sens. Maria Cantwell (D-WA), Catherine Cortez Masto (D-NV), and Alex Padilla (D-CA) opposing in

addition to Wyden and Hirono. Ranking Member Sen. Martin Heinrich (D-NM), however, voted in favor of Wright, which was a very positive sign. Wright faced questions during his hearing about his previous comments on climate change and climate law but said he'd work to expand energy production, accelerate work on innovation and technology breakthroughs, and cut red tape for energy projects if confirmed. Interestingly, Wright would not commit to a pause in LPO projects to investigate processes and procedures raised by a recent DOE Inspector General report. This could indicate that the incoming administration will have a much less adversarial relationship with LPO than in the previous Trump term.

The Senate Environment and Public Works Committee advanced Lee Zeldin to be administrator of the EPA by a vote of 11–8, with all Democrats except Sen. Mark Kelly (D-AZ) opposing. During his confirmation hearing, Ranking Member Sheldon Whitehouse (D-RI) blasted Zeldin for consulting with Big Oil companies and a Qatari investor who was connected to the corruption trial of former Sen. Bob Menendez (D-NJ). However, Zeldin still emerged from the hearing relatively unscathed.

All three nominees acknowledged climate change and the need for an energy transition, including nuclear, geothermal, hydrogen, wind, and solar. However, this was balanced with a recognition that fossil fuels would continue to be needed for the foreseeable future, especially to lower consumer electricity costs. None of the nominees went on the record explicitly defending the IRA, but they were supportive of certain programs whenever a Democrat or Republican senator highlighted wanting to keep a specific initiative in their state.

Beyond these initial agency confirmation hearings, the administration started to name other individuals to fill out political leadership positions:

- James Danly, previously Chairman of FERC, was named as DOE deputy secretary. While at FERC, Danly clashed with Democratic-appointed members on rules and decisions that supported the expansion of renewables. His role as the number 2 at DOE, however, will require that he take on much broader responsibilities.
- Wells Griffith was named as undersecretary for energy, one of three principal undersecretary positions. Griffith was a senior adviser to the CEO of the US International Development Finance Corp., a senior director on the National Security Council, and was acting assistant secretary for international affairs at DOE, which will all be helpful to the new leadership team.
- Alex Fitzsimmons will reportedly be Wright's chief of staff (COS). Often an overlooked position, the COS is a key gatekeeper and can be an internal surrogate for the secretary. Fitzsimmons was the chief of staff for the Office of Energy Efficiency and Renewable Energy in the first Trump term. He went from there to ClearPath Energy, a moderately conservative clean energy think tank, before taking a position to lead government affairs at Sila Nanotechnologies, a next-generation battery technology firm. Sila benefited from at least two DOE IRA awards and could potentially be an applicant to LPO. Having Fitzsimmons in as the COS should be a calming sign for which direction DOE will be headed.
- John Sneed was reportedly assigned as the director of the Loan Programs Office, a position he held under the first Trump administration. He is very familiar with the LPO and many of its career leaders. However, it's unclear if he will be there as an interim to facilitate the review of all loans and applications, as now directed by OMB, with a different director to be named at some point. If not, then it is likely a sign that LPO will have a significantly reduced role in making new loans, as it was in the first Trump administration.

Possible Energy Measures for Reconciliation Bill

The House Budget Committee, chaired by Representative Jodey Arrington (R-TX), has developed a document outlining options for the House Ways and Means Committee to consider for cost-savings offsets ahead of their planned reconciliation package. It remains to be seen whether Republicans will approach reconciliation via one omnibus bill or two bills where the first covers energy, border, and defense, and the second covers tax. Some of the provisions currently being considered are:

- Rescinding IRA Title IV, V, and VI funds – totaling \$17.3 billion over 10 years.
- Repealing Title 1 of the IRA, the EV tax credit, and “Green Energy Tax Credits” (excluding 45Q Carbon Sequestration, 45U Nuclear Power, and 45Z Clean Fuels).
- Repealing EPA's tailpipe emissions Rule and the Department of Transportation's [Corporate Average Fuel Economy \(CAFE\) Standards](#) Rule.
- Selling Oil from the Strategic Petroleum Reserve.
- Incorporating EVs into the Highway Trust Fund's revenue stream.
 - Department of Transportation nominee Sean Duffy also specifically endorsed this idea during his senate confirmation hearing.
- Restoring noncompetitive leasing for oil and gas while increasing onshore oil and gas leasing, offshore oil and gas leasing, geothermal leasing, and coal leasing.
- Passing [H.R.7370](#)- Permit processing reform for geothermal to streamline the permit process for geothermal energy.
- Passing [H.R. 2811](#)'s Energy Leasing and Permitting Provision.

- Passing [H.R. 1152](#) Water Quality Certification and Energy Project Improvement Act to streamline the permitting process under [Section 401](#) of the Clean Water Act.
 - Reopening ANWR while requiring new lease sales.
- As highlighted previously, agreement among House Republicans on these or other energy-related budget measures cannot be assumed. ML Strategies is well poised to help you navigate these and other new developments. Please feel free to reach out with questions.

Requests for Information (RFIs)

[Feedback on Enhancing Manufacturing of Materials for Harsh Service Conditions](#) (1/16/25)

- Responses to the [RFI](#) must be submitted to harshmaterialsrfi@ee.doe.gov by March 15, 2025, at 5:00 pm ET.

[DOE Seeks Input on Strengthening America's Power Electronics Sector](#) (1/16/25)

- Responses to the [RFI](#) must be submitted to AMMTOPowerElectronics@hq.doe.gov by April 11, 2025, at 5:00 pm ET.

[DOE Requests Information on Applied Grid Transformation Solutions Program](#) (1/14/25)

- Responses to the [RFI](#) must be submitted by February 28, 2025, at 8:00 pm ET.

Funding Opportunity Announcements (FOAs)

[DOE Announces \\$6.25 Million for Aerodynamics Research on Large Wind Turbines](#) (1/17/25)

- The submission deadline for this [RFP](#) is March 17, 2025.

[DOE Announces up to \\$10 Million for Algal Systems Research and Development to Expand US Bioenergy Feedstock](#) (1/16/25)

- The concept paper submission deadline is February 21, 2025, at 5:00 pm ET.
- The full application submission deadline is May 15, 2025, at 5:00 pm ET.

[DOE Announces Roadmap and \\$18 Million Investment to Improve Clean Energy Interconnection Processes](#) (1/16/25)

- No due dates have yet been announced.

[DOE: New Energy Storage Systems Prize Offers \\$4.8M To Advance Industrial Innovation](#) (1/16/25)

- The submission deadline for Phase 1 applications is April 29, 2025, at 5:00 pm ET.

[DOE Announces \\$100 Million for Pilot-scale Carbon Conversion](#) (1/15/25)

- The full application deadline is April 11, 2025, at 5:00 pm ET.

[GTO Announces \\$19 Million to Expand Regional Geothermal Data | Department of Energy](#) (1/13/25)

- The concept paper submission deadline is February 24, 2025, at 5:00 pm ET.
- The full application submission deadline is April 22, 2025, at 5:00 pm ET.

[DOE Announces up to \\$23 Million to Propel Renewable Chemicals and Fuel](#) (1/10/2025)

- Required concept papers are due by on March 14, 2025, by 5:00 pm ET.
- The full application deadline is May 30, 2025, by 5:00 pm ET.

[DOE Announces the Guiding Universal Indicators in Developing Ecosystems for Hydrogen \(GUIDE-H2\) Competition](#) (1/10/2025)

- The deadline for Phase 1 submissions is June 30, 2025.

[DOE Issues Notice of Intent For Funding in Strengthening Domestic Critical Materials Processing and Manufacturing to Enhance National Security](#) (1/10/2025)

- The full application deadline is February 18, 2025, by 8:00 pm ET.

[DOE Announces \\$13 Million to Support Advanced Nuclear Reactor Licensing Activities](#) (1/8/2025)

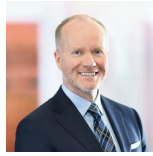
Applications are due on April 8, 2025, by 5:00 pm ET.

Authors



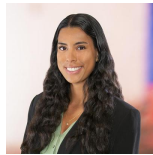
John Lushetsky, Senior Vice President

John Lushetsky draws on over 30 years of experience in government and industry to help clients identify strategic opportunities, secure federal funding, and position innovative technologies for success within evolving energy and infrastructure policy landscapes. He has successfully helped clients navigate complex issues through a variety of federal agencies.



R. Neal Martin, Senior Director of Government Relations

Neal Martin brings more than two decades of experience in government and federal relations to his work, helping clients navigate a wide range of issues. He provides strategic guidance to organizations seeking to advance their legislative priorities and enhance their visibility before Congress and federal agencies.



Myria Garcia, Manager of Legislative and Regulatory Affairs

Myria Garcia supports clients in achieving their policy objectives through legislative and regulatory engagement. She utilizes her experience working with congressional offices, government affairs teams, and advocacy organizations to pursue effective engagement strategies and has experience advising clients on federal financing applications.