

This Week's Climate Policy Update | January 20 - 24, 2025

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Trump Executive Orders and Nominations

Beginning on Monday, there have been a flurry of executive orders from the Trump administration reversing Biden-era energy policies, emphasizing oil and gas production, lifting the liquified natural gas (LNG) export permitting pause and withdrawing from all accords and commitments under the United Nations Framework Convention on Climate Change (UNFCCC) including the Paris climate agreement. The orders also target electric vehicles (EVs), wind energy, international climate aid and the use of the social cost of carbon in agency decision making. For close tracking of these orders and more to come, visit the <u>Akin Trump Executive Order tracker</u>. Concurrently, President Trump's nominees for the Department of the Interior (DOI), Department of Energy (DOE) and Environmental Protection Agency (EPA) have each passed their initial rounds of committee confirmation votes, and now await votes before the Senate floor.

The Fate of NEPA in Uncertain Times

The Trump administration has asked a federal appeals court to delay deciding on whether to reverse last year's ruling that struck down the White House Council on Environmental Quality's (CEQ) regulatory authority. Initially, President Trump issued an executive order rescinding a 1977 executive order originally granting CEQ its power. Trump's order instead directs CEQ to provide guidance for federal agencies on implementing NEPA instead of issuing regulations. As such, Justice Department attorneys indicated they are reassessing the Biden administration's request for a full court review. In the future, agencies intent on

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permitting certain forms of infrastructure could reserve the right to deviate from said "nonbinding" NEPA guidance from the CEQ.

State Response to Federal Retreat on Climate

State governments have again emerged to fill the gaps left by receding federal support for climate mitigation, adaptation and the energy transition. Governor Kathy Hochul and New Mexico Governor Michelle Lujan Grisham, co-chairs of the U.S. Climate Alliance, sent a <u>letter</u> to United Nations Climate Change Executive Secretary Simon Stiell, reaffirming to the global community that the United States remains committed to climate action. Furthermore, California state Sen. Jerry McNerney introduced <u>S.B. 86</u> to counter President Trump's proposed cuts to federal renewable energy funding by increasing state tax incentives. The bill, co-sponsored by California Treasurer Fiona Ma, aims to extend the California Alternative Energy and Advanced Transportation Financing Authority Act indefinitely and boost its funding from \$100 million to \$300 million per year.

The Growing Climate Rift Between the EU and the US

European Commission President Ursula von der Leyen reaffirmed Europe's unwavering commitment to the Paris Accord and the clean energy transition, warning that the U.S.'s withdrawal and reduced contributions to global climate funds risk undermining international efforts to support vulnerable countries and maintain global stability. Meanwhile, the European Union (EU) is preparing to launch a Clean Industrial Deal and Affordable Energy Action Plan, targeting energy costs, resource efficiency and trade, signaling a push toward sustainable economic growth. Simultaneously, the EU has expressed openness to negotiating increased LNG imports from the U.S., though internal challenges, including cost concerns and trade disputes over methane regulations, may complicate such agreements. Together, these developments highlight a growing rift in climate and energy priorities between the U.S. and EU, with Europe aiming to lead global action while balancing energy security and economic interests.

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