



FEDERAL POLICY WORKING GROUP MEETING 05/10/23

Agenda

1. Administration Activities
2. Legislative Landscape/Updates
3. Debt Ceiling Tracking
4. Greenhouse Gas Reduction Fund - draft comments

Notes

1. Administration Activities

Expected: May 11: EPA Administrator is anticipated to release power plant carbon pollution curbing proposals. From E&E News:

The rules are expected to require coal-fired power and some gas plants to meet standards consistent with capturing and storing a share of their emissions from combustion before it enters the atmosphere. But the rules are also expected to defer compliance for plants slated for retirement by specific dates and for gas plants that don't run often.

The standards are performance-based, and companies and states will not be required to meet them through carbon capture. An alternative standard based on hydrogen is also expected for new gas plants.

On May 10, the DOE [announced](#) \$26 million for eight selected projects to demonstrate how solar, wind, storage, and other clean energy resources can support a reliable and efficient U.S. power grid - funded by the IIJA. There is one project located in CA:

- Pacific Gas and Electric Company (Oakland, CA): This project will develop an automated analysis tool for utility engineers to address rapid changes in the electric grid, such as increased solar generation. If successful, the tool can be incorporated in commercial platforms used by transmission utilities and system operators nationwide. (Award Amount: \$2.5 million)

On May 9, the DOE [announced](#) \$40 million in funding for 15 projects that will develop high-performance, energy efficient cooling solutions for data centers. The following projects are located in CA:

- HRL Laboratories (Malibu, CA) will develop a novel data center thermal management system with low thermal resistance and greater energy efficiency to reduce power consumption for the next generation of data center servers. (Award amount: \$2,000,000)

- Nvidia (Santa Clara, CA) will develop a modular datacenter with a multi-aspect innovative cooling system. The design cools chips with a two-phase cold plate, which achieve a thermal resistance as low as 0.0025°C/W. (Award amount: \$5,000,000)
- University of California, Davis (Davis, CA) will develop a suite of holistic thermal management solutions and incorporate these in a modular datacenter for edge computing. Their design innovations include efficient heat extraction and dissipation of this heat to the ambient by using high-efficiency, low-cost heat exchangers. (Award amount: \$3,586,473)

On May 5, the DOE announced new EE actions/Rules that could result in \$652 million savings/year.

- Electric motors: DOE expects the new standards for electric motors, coming into effect in 2027, to save consumers up to \$8.8 billion in utility bills over the ensuing 30 years of shipments and reduce carbon dioxide emissions by 91.7 million metric tons—an amount roughly equivalent to the combined annual emissions of 20 million gasoline cars.
- Dishwashers: If adopted within DOE’s proposed timeframe, the new rule for dishwashers will come into effect in 2027. DOE expects the new rule to save consumers nearly \$3 billion in utility bill savings over the ensuing 30 years of shipments and reduce carbon dioxide emissions by 12.5 million metric tons—an amount roughly equivalent to the combined annual emissions of 1.6 million homes. DOE also expects the new rule to save 240 billion gallons of water, which is equivalent to the water in 360,000 Olympic-sized pools.
- Beverage Vending Machines: In addition to the proposed rule for dishwashers and final rule for electric motors, DOE also released a proposal for beverage vending machines that would reduce energy costs for American businesses by \$20 million annually. DOE estimates the proposed rule for beverage vending machines will save consumers \$330 million in utility bills over 30 years of shipments and reduce carbon dioxide emissions by 3 million metric tons – and amount of roughly equivalent to the combined annual emissions of 378,000 homes.

Utility Dive has a helpful (and very brief) [review](#) of the issue.

On April 24, the DOE launched the [Energy Savings Hub](#) - a central repository for consumers to access savings tools opened up under the Administration’s “Investing in America” agenda. The website is organized by information for homeowners, renters, and drivers.

On April 18, the DOE [announced](#) a \$250 million [funding opportunity](#) (under the Inflation Reduction Act) to accelerate electric heat pump manufacturing in America as part of the Administration’s “[Investing in America](#)” and stemming from the Defense Production Act. DOE is seeking projects that will:

- Construct new commercial-scale facilities or expand existing facilities to create new or additional domestic production capability

- Retool or retrofit existing commercial-scale facilities to transition manufacturing from non-heat pump HVAC systems and/or water heating equipment to produce electric heat pump materials, heat pump components, and heat pump systems
- Invest in America's clean energy manufacturing workforce by providing good-paying, union jobs

Concept papers, which are required for all applicants, are due on May 19, 2023, at 5 p.m. ET. Full applications are due on August 1, 2023, at 5 p.m. ET.

2. Legislative Landscape/Updates

It has been reported that Sen. Joe Manchin has stated, in response to the debt ceiling negotiations, that he would oppose every EPA nominee in anticipation of the 5/11 EPA generation rules:

“I fear that this Administration’s commitment to their extreme ideology overshadows their responsibility to ensure long-lasting energy and economic security and I will oppose all EPA nominees until they halt their government overreach,” Manchin said in a statement.

3. Debt Ceiling Tracking

- **Context:** [When Is the Debt Ceiling Deadline and What Happens if the Limit Isn't Raised?](#) - The Wall Street Journal
 - [Reuters](#) has a fairly cut-and-dry review of the current landscape.
- **Some spin:**
 - [Biden starts to throw some punches in the debt ceiling fight](#) - Politico
 - [Investors brace for a painful crash into America's debt-ceiling](#) - The Economist
 - [Former Biden adviser Tribe: Just use the 14th Amendment now](#) - Politico

4. Greenhouse Gas Reduction Fund - draft comments

- You can find the draft letter for your information [here](#). The draft comments are a collaborative effort among the EESG and others.
- The letter addresses the [GGRF](#), established under the IRA, a first-of-its-kind program will provide competitive grants to mobilize financing and leverage private capital for clean energy and climate projects that reduce greenhouse gas emissions with an emphasis on projects that benefit low-income and disadvantaged communities, furthering the Biden-Harris Administration's commitment to environmental justice.
 - Fact sheet [here](#).
- The comments are additional guidance on how the EPA can optimize GHG reduction and elimination, in addition to achieving greater consumer and community benefit, when leading with energy efficiency first. The comments below primarily focus on energy efficiency implementation as provided in the National Clean Investment Fund, Clean Communities Investment Accelerator, and Solar for All. We also provide comment to request additional clarity on new language in the Framework related to equity objectives.
- Key topics:
 - Priority Project Categories: Decarbonization Retrofits of Existing Buildings
 - Priority Project Categories: Transportation Pollution Reduction
 - Solar for All
 - Benefits to Low-Income and Disadvantaged Communities

Next Meeting

Our next Federal Policy WG meeting will be on Wednesday May 10 at **8:15 am**. Call-in coordinates are below.

[Zoom link](#)

Call-in: +13126266799,,83592457581#

Passcode: cedmc2022