

EXECUTIVE OFFICE OF THE PRESIDENT (EOP)

OFFICE OF SCIENCE AND TECHNOLOGY POLICY (OSTP)

...

The President should also issue an executive order to reshape the U.S. Global Change Research Program (USGCRP) and related climate change research programs. The USGCRP produces strategic plans and research (for example, the National Climate Assessment) that reduce the scope of legally proper options in presidential decision-making and in agency rulemakings and adjudications. Also, since much environmental policymaking must run the gauntlet of judicial review, USGCRP actions can frustrate successful litigation defense in ways that the career bureaucracy should not be permitted to control. The process for producing assessments should include diverse viewpoints. The OSTP and OMB should jointly assess the independence of the contractors used to conduct much of this outsourced government research that serves as the basis for policymaking. The next President should critically analyze and, if required, refuse to accept any USGCRP assessment prepared under the Biden Administration.

The President should also restore related EOP research components to their purely informational and advisory roles. Consistent with the Global Change Research Act of 1990,³⁵ USGCRP-related EOP components should be confined to a more limited advisory role. These components should include but not necessarily be limited to the OSTP; the NSTC's Committee on Environment; the USGCRP's Interagency Groups (for example, the Carbon Cycle Interagency Working Group); and the Federal Coordinating Council for Science, Engineering, and Technology.

As a general matter, the new Administration should separate the scientific risk assessment function from the risk management function, which is the exclusive domain of elected policymakers and the public.

COUNCIL ON ENVIRONMENTAL QUALITY (CEQ)

The Council on Environmental Quality is the EOP component with the principal task of administering the National Environmental Policy Act (NEPA)³⁶ by issuing regulations and interpretive documents and by overseeing the processes of individual permitting agencies' own NEPA regulations, including categorical exclusions. The CEQ also coordinates environmental policy across the federal government, and its influence has waxed and waned across Administrations.

The President should instruct the CEQ to rewrite its regulations implementing NEPA along the lines of the historic 2020 effort and restoring its key provisions such as banning the use of cumulative impact analysis. This effort should incorporate new learning and more aggressive reform options that were not included in the 2020 reform package with the overall goal of streamlining the process to build on the Supreme Court ruling that “CEQ’s interpretation of NEPA is entitled to substantial deference.”³⁷ It should frame the new regulations to limit the scope for judicial review of agency NEPA analysis and judicial remedies, as well as to vindicate the strong public interest in effective and timely agency action.

The Federal Permitting Improvement Steering Council (FPISC), of which the CEQ is a part, has been empowered by Congress through significant new funding and amendments to FAST-41.³⁸ The President should build on this foundation to further empower the FPISC by making its Executive Director an EOP appointee with delegated presidential directive authority over executive branch permitting agencies. For instance, the implementation of Executive Order 13807’s One Federal Decision³⁹ revealed many ways that the systems established by EO13807 can be improved. The new President should seek to issue a new executive order to create a unified process for major infrastructure projects that includes giving project proponents more control of any regulatory clocks.

The President should issue an executive order establishing a Senior Advisor to coordinate the policy development and implementation of relevant energy and environment policy by officials across the EOP (for example, the policy staff of the NSC, NEC, DPC, CEQ, and OSTP) and abolishing the existing Office of Domestic Climate Policy. The Senior Advisor would report directly to the Chief of Staff. The role would be similar to the role that Brian Deese and John Podesta had in the Obama White House. This energy/environment coordinator would help to lead the fight for sound energy and environment policies both domestically and internationally. The President should eliminate the Interagency Working Group on the Social Cost of Carbon (SCC), which is co-chaired by the OSTP, OMB, and CEA, and by executive order should end the use of SCC analysis.

Finally, the President should work with Congress to establish a sweeping modernization of the entire permitting system across all departments and agencies that is aimed at reducing litigation risk and giving agencies the authority to establish programmatic, general, and provisional permits.

...

DEPARTMENT OF ENERGY

AMERICAN ENERGY AND SCIENCE DOMINANCE

The next conservative Administration should prioritize energy and science dominance to ensure that Americans have abundant, affordable, and reliable energy; create good-paying jobs; support domestic manufacturing and technology leadership; and strengthen national security. Achieving these goals will require bold policy action and reforms that involve the U.S. Department of Energy (DOE); the Federal Energy Regulatory Commission (FERC); and the Nuclear Regulatory Commission (NRC).

...

A conservative President must be committed to unleashing all of America's energy resources and making the energy economy serve the American people, not special interests. This means that the next conservative Administration should:

- Promote American energy security by ensuring access to abundant, reliable, and affordable energy.
- Affirm an "all of the above" energy policy through which the best attributes of every resource can be harnessed for the benefit of the American people.

- Unleash private-sector energy innovation by ending government interference in energy decisions.
- ...
- **Refocus** FERC on ensuring that customers have affordable and reliable electricity, natural gas, and oil and no longer allow it to favor special interests and progressive causes.
- **Ensure** that the Nuclear Regulatory Commission facilitates rather than hampers private-sector nuclear energy innovation and deployment.

OFFICE OF CYBERSECURITY, ENERGY SECURITY, AND EMERGENCY RESPONSE (CESER)

Mission/Overview

CESER's mission is to "enhance the security and resilience of U.S. critical energy infrastructure to all hazards," to "mitigate the impacts of disruptive events and risk to the sector overall through preparedness and innovation," and to "respond to and facilitate recovery from energy disruptions in collaboration with other Federal agencies, the private sector, and State, local, tribal, and territory governments."

Needed Reforms

The threats to U.S. energy infrastructure are real and persistent, and CESER's role—working to support national security by working with the private sector to ensure energy security—is a proper one for government. Though CESER is properly focused on the threat to the grid from inverter-based resources like wind and solar, it needs to focus on the entire energy system, including the interdependence between natural gas and electric generation and cybersecurity.

...

The Arctic

Because of Alaska, the U.S. is an Arctic nation. The Arctic is a vast expanse of land and sea rich in resources including fish, minerals, and energy. For example, the region is estimated to contain 90 million barrels of oil and one-quarter of the world's undiscovered natural gas reserves.¹⁶...

The United States has several strong interests in the Arctic region. The rate of melting ice during summer months has led to increased interest not only from shipping and tourism sectors, but also from America's global competitors, who are interested in exploiting the region's strategic importance and accessing its bounty of natural resources.

...

ARCTIC ENERGY OFFICE (AE)

Mission/Overview

AE was established during the Trump Administration to create a central office overseeing U.S. Arctic interests in Alaska and the other Arctic nations in response to the growing strategic sensitivity of this geographic region and the natural resources it contains. It "serves as the principal advisor to the Under Secretary on all domestic Arctic issues, including energy, science, and national security."⁷⁷

Needed Reforms

In October 2022, the Biden Administration released its National Strategy for the Arctic Region.⁷⁸ Although recognizing national security threats in the Arctic, it also focuses heavily on climate change, sustainability, and international cooperation. The United States must establish a strategic plan to promote its national security, energy, and economic interests in the Arctic. An analysis and plan to support the responsible development of Alaska's energy assets should be a priority.

New Policies

Defend American interests in the Arctic Circle. The next Administration needs to define American strategic and economic interests in the Arctic Circle. AE should help to identify those interests, as well as threats posed by countries like Russia and China, and develop appropriate policy options for the President's consideration.

Ensure that AE is clearly focused. In particular, this means identifying U.S. energy interests in the Arctic Circle, identifying foreign government and commercial interests and activity in the region, and ensuring that the United States does not forgo important energy and national security interests in the Arctic.

Expand AE's operations in Alaska. AE's operations in Alaska should be expanded to encompass broader national energy security interests in the region including rare earths, oil, and natural gas. AE should also be the lead for DOE Antarctic operations as a counter to growing Russian and Chinese interest in Antarctic resources.

...

OFFICE OF POLICY (OP)

Develop a National Energy Security Strategy. OP could be tasked with developing a National Energy Security Strategy for the Secretary. This strategy could be prepared in conjunction with the White House National Security Strategy and the DOD National Defense Strategy to convey these priorities to Congress and design policy initiatives for their implementation. Such a strategy could summarize cyber and physical threats to energy infrastructure, challenges involved in obtaining rare earth minerals to support domestic energy production and consumption, and foreign actions that threaten U.S. energy security and dominance. However, it would be important to guard against attempts to transform the strategy into a government-led industrial policy or, in a progressive Administration, an economy-wide climate policy.

Needed Reforms

There is a growing problem with the electric grid's reliability because of the increasing growth of subsidized intermittent renewable generation (like wind and solar) and a lack of dispatchable generation (for example, power plants powered by natural gas, nuclear, and coal), especially during hot and cold weather.¹⁰⁹ FERC and NERC have been studying the potential for generation shortages across the nation in the summer¹¹⁰ and winter.¹¹¹ Cyber and physical attacks also threaten the grid. Specific areas for reform include the following:

Limit the impact of subsidized renewables on price formation.

Subsidized renewable resources are undermining electric reliability in RTOs. The increase in subsidized, intermittent resources is undermining the ability of RTOs' pricing models to support the reliable dispatchable generation that is needed to serve the grid at all times.¹¹²

Reform the application of reserve margins. Reserve margins have become largely meaningless. Traditionally, the electric industry has used "reserve margins" to ensure that the grid has enough power plants to guarantee reliability. Generally, reserve margins represent the amount of generation available (power plants) to meet peak electric demand (the time of day and year when people are using the most electricity) plus a percentage of additional generation for backup.¹¹³ However, given the increasing number of intermittent resources (like solar, which may be available during the heat of the day but disappears as the sun sets), other dispatchable generation needs to be available to meet customers' electricity requirements. Therefore, the definitions and calculations of reserve margins and peak load need to be updated to focus on the modern grid's reliability challenges for all times of the day and year.

...

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

New Policies

Reform RTOs to require reliability. FERC should direct RTOs to establish reliability pricing for eligible dispatchable generation resources or require intermittent resources to procure backup power for times when they are not available to operate. In addition, Congress should repeal subsidies for generation resources.

Update the definition and calculation of reserve margins to support reliability. FERC, NERC, and DOE should revise the definition of reserve margins to ensure the grid's reliability throughout the day and the year. This will mean recognizing that reserve margins may need to consider "net peak" and exclude non-dispatchable resources from inclusion in reserve margin calculations.

Strengthen security against cyber and physical threats. FERC and NERC need to enhance the security of the bulk power system by, for example, banning Chinese-made components, investing in transformers, and hardening substations and other critical infrastructure. DOE should play a leading role in identifying and addressing threats to the grid.

...

OFFICE OF NUCLEAR ENERGY (NE)

Mission/Overview

The Office of Nuclear Energy's "mission is to advance nuclear energy science and technology to meet U.S. energy, environmental, and economic needs." It has five stated goals: "Enable continued operation of existing U.S. nuclear reactors," "Enable deployment of advanced nuclear reactors," "Develop advanced nuclear fuel cycles," "Maintain U.S. leadership in nuclear energy technology," and "Enable a high-performing organization."²⁹ Under the Nuclear Waste Policy Act,³⁰ the Office of Nuclear Energy "has also been responsible for the DOE's statutory requirements to collect and dispose of spent nuclear fuel...since the Obama Administration's dissolution of the Office of Civilian Radioactive Waste Management."³¹

Needed Reforms

NE is too influential in driving the business decisions of commercial nuclear energy firms. Instead of focusing on a limited set of basic research and development activities that solve foundational technical issues that apply broadly to energy production, NE intervenes in nearly all aspects of the commercial nuclear energy industry. Absent wholesale reforms that restructure the federal energy and science bureaucracy to eliminate such functional energy offices, the next Administration should:

Substantially limit NE's size and scope.

Adopt broader regulatory and energy policy reforms that reduce regulatory obstacles, allow all energy sources to compete fairly in the marketplace, and establish a predictable policy environment. This will avoid unfair bias against the nuclear industry.

New Policies

NE should transition to a more limited scope of responsibilities that focuses on basic research, solving broadly applicable technology challenges, and solving the nuclear waste management issue as it relates to the development and deployment of advanced next-generation reactors, which can include small modular reactors (SMR). While respecting existing contractual obligations, NE should not initiate any new civilian reactor demonstration and commercialization projects. NE also should:

- **Focus on overcoming technical barriers that are preventing commercial reactor demonstration projects from moving forward.** Any activities in support of existing nuclear plants and any other projects directed toward commercialization, including licensing support, should be shouldered by the private sector
- **Reorganize its remaining activities into three basic lines of responsibility: nuclear fuels across the fuel cycle, reactor technology, and civilian radioactive waste.**

...

LOAN PROGRAM OFFICE (LPO)

"LPO's mission is to finance next-generation U.S. energy infrastructure," serve "as a bridge to bankability for breakthrough projects and technologies," and "de-risk[] them at early stages of investment so they can be developed at commercial scale and achieve market acceptance."⁵⁵ The Biden Administration directed the program to subsidize the Administration's "net zero" energy transition away from conventional fuels by 2050 and to promote union jobs and domestic supply chains.⁵⁶

...

New Policies

To the extent that DOE loan programs cannot be repealed, the new Administration should:

- ...
- Limit the use of new loan or loan guarantee authority to projects that will promote the reliability and resilience of the electric grid and other energy infrastructure and support national security objectives.
- Establish clear mandatory qualifications requiring applicants to comply with the Uyghur Forced Labor Prevention Act⁵⁸ and to certify that they are not financed with any other

local, state, or federal taxpayer-backed loan, loan guarantee, or bond (such as a state “green bank”).

ENVIRONMENTAL PROTECTION AGENCY

...

Mobile Source Regulation by the Office of Transportation and Air Quality

- Establish GHG car standards under Department of Transportation (DOT) leadership that properly consider cost, choice, safety, and national security.
- Review the existing “ramp rate” for car standards to ensure that it is actually achievable.
- Include life cycle emissions of electric vehicles and consider all of their environmental impacts.

DEPARTMENT OF COMMERCE

Review the Work of the National Hurricane Center and the National Environmental Satellite Service. The National Hurricane Center and National Environmental Satellite Service data centers provide important public safety and business functions as well as academic functions, and are used by forecasting agencies and scientists internationally. Data continuity is an important issue in climate science.

OTHER INTERNATIONAL ENGAGEMENTS

Western Hemisphere

...A hemisphere-centered approach to industry and energy. ...

Similarly, the United States must work with Mexico, Canada, and other countries to develop a hemisphere-focused energy policy that will reduce reliance on distant and manipulable sources of fossil fuels, restore the free flow of energy among the hemisphere’s largest producers, and work together to increase energy production, including for nations that are looking for dramatic economic expansion.

...