



**FROM: RSC Staff**

**TO: RSC Members**

**RE: Biden's Failed Energy Policies – Blackouts, Mandates, and Inflation**

**DATE: June 5, 2024**

**Overview:** In his first week in office, President Biden began to follow through on his campaign [promise](#) to “end fossil fuel” by [reversing](#) the Trump administration’s successful energy policies. In the years since, Biden has issued regulation after regulation to stifle energy production and implement a “whole of government” approach to the “climate crisis.”

Biden’s policies threaten to destabilize America’s electric grid, embolden our adversaries, and further exacerbate the pain Americans are experiencing when they fill their tanks and pay their energy bills. Before Biden entered office, America had proven it can lead the world in reducing emissions while growing its economy. However, to cement his legacy as the “climate president,” Biden is advancing policies that will regressively alter America’s energy production in ways that the American people don’t want and can’t afford. The memo below highlights the impact of several major policies.

### **Biden’s Latest Energy Schemes**

**Power Plants** – The Environmental Protection Agency (EPA) recently finalized a suite of [regulations](#) on power plants that aim to mandate a hastened “clean energy” transition in utter disregard to the law and grid reliability.

***Topline message: Biden is recklessly putting America’s energy grid at risk in pursuit of his ideological commitment to a rapid and unfeasible energy transition:***

- The rules, which include EPA’s “Clean Power Plan 2.0” [rule](#) and regulations on Mercury Air Toxics Standards, Effluent Limitation Guidelines, and Coal Combustion residuals, are intended to, as stated by both [President Biden](#) and EPA [Administrator Regan](#), force the retirement of fossil fuel-powered plants.
- Most egregiously, the EPA is seeking to force existing coal plants and new natural gas plants to adopt carbon capture and storage technologies in less than a decade or face retirement.
  - While a promising innovation that could flourish in a free market, carbon capture technology is [far](#) from commercially available, and mandating its adoption runs directly [afoul](#) of the Clean Air Act.
  - The Obama administration’s attempt to regulate power plants in such a manner was struck down by the Supreme Court in *West Virginia v. EPA*.
  - Biden knows this latest attempt to shutter reliable baseload power plants will be challenged in court, but his EPA has rushed to finalize these rules in order to [chase](#) the massive subsidies made available through the Inflation Reduction Act (IRA).

- With demand for power rising, including the power [needed](#) to support the rapid growth of artificial intelligence and data centers, Americans need access to reliable energy sources. Instead, the EPA is attempting to pick winners and losers by regulating baseload fossil fuel-fired power plants out of existence.
- Even Frontline House Democrats [recognize](#) the dangers of EPA's actions, noting that the rules will increase electricity costs, threaten jobs, and strain grid reliability.

*Electric Vehicles* – The EPA recently [finalized](#) its electric vehicle (EV) mandate under which **two-thirds** of new passenger cars sold by 2032 must be fully electric.

**Topline message: Biden is forcing consumers to purchase vehicles they don't want or need in a thinly veiled attempt to satisfy his most liberal constituencies:**

- The rule rids consumers of choice and instead forces them to buy less reliable, more expensive vehicles.
  - Like the power plant rules, the EPA is mandating through regulation what the IRA seeks to incentivize through generous subsidies, demonstrating Biden's transparent attempt to bend federal policies towards his preferred industries.
- The Biden administration's rush to electrify America's vehicle fleet through regulation isn't limited to EPA's passenger EV mandate:
  - The EPA's heavy-duty truck emissions final [rule](#) would similarly impose unrealistic and prohibitively expensive mandates on America's truckers, which will burden supply chains and ultimately socialize the costs to every business and consumer.
  - Biden's EPA is currently considering granting a waiver under the Clean Air Act to allow California to set its own emissions standards for cars and trucks, which would also ban the sale of new non-electric vehicles under an even swifter timeline. Because [other states](#) (which collectively represent more than 40% of nationwide new car sales) have adopted California's standards, such EPA waivers would effectively nationalize California's EV mandates and resulting [grid instability](#).
- Forcing EVs upon American consumers and manufacturers will [embolden China](#) and devastate America's auto industry.

*LNG Export Ban* – This year, at the behest of [TikTok influencers](#) and [climate activists](#), President Biden indefinitely banned liquified natural gas (LNG) export approvals through a [press release](#).

**Topline message: Biden is abandoning America's allies, threatening global energy security, and undermining the public interest to appease extremist, climate-obsessed voters:**

- Prior to this announcement, the U.S. had recently surpassed Qatar and Australia to become the [global leader](#) in LNG exports. U.S. LNG exports provided a lifeline to our European allies following Vladimir Putin's assault on Ukraine and subsequent sanctions on Russian energy.
- Despite several prior studies from the Department of Energy demonstrating the economic and environmental benefits of U.S. LNG exports, President Biden cites the "climate crisis" and his desire to "heed the calls of young people" as his basis for surrendering U.S. leadership in the global LNG market.

*Permitting* – Last month, the Council for Environmental Quality (CEQ), the agency charged with overseeing implementation of the National Environmental Policy Act (NEPA), issued its final permitting reform [rule](#) mandated by the Fiscal Responsibility Act (FRA). The regulations utterly

disregard the letter of the law and instead empower the CEQ to bend NEPA in favor of politically-preferred energy projects and activist litigants.

***Topline message: Despite bipartisan action to make commonsense reforms to NEPA, Biden's climate bureaucrats feel empowered to ignore the will of Congress and advance their political agenda instead of cutting red tape:***

- Through decades of complex CEQ regulations and litigation, NEPA has become a barrier to the permitting and development of an array of projects, ranging from infrastructure to forestry and energy development projects.
- At the onset of the 118<sup>th</sup> Congress, RSC Members [expressed](#) their desire to enact “a package of inflation-busting reforms to increase domestic energy capacity and reduce associated regulatory and permitting barriers.”
  - In March 2023, the House passed *H.R. 1 – the Lower Energy Costs Act*, which included substantive reforms to streamline permitting processes under NEPA. Two months later, Congress passed and the President signed the *Fiscal Responsibility Act of 2023*, which raised the debt limit and included several permitting reform provisions from *H.R. 1* and Rep. Garret Graves' *BUILDER Act*.
- CEQ's final regulations ignore these statutory requirements and would instead:
  - Inject “environmental justice” and “climate change” considerations into NEPA reviews, thus expanding NEPA's scope, which the FRA sought to simplify;
  - Bend NEPA to advantage politically-preferred projects by establishing categorical exclusions for solar storage and EV charging projects and directing agencies to identify reasonable alternatives “such as wind and solar” while providing no such explicit streamlining tools for traditional energy projects; and
  - Reverse several Trump-era NEPA reforms.
- Even Senator Manchin [accused](#) the White House of disregarding the FRA and “corrupting it with their own radical agenda.”

***Public Lands*** – Federal lands and waters constitute a sizable share of U.S. energy production, including approximately one-quarter of total oil production and even higher levels of coal and geothermal production. Because these resources are produced on federally-managed lands, the President has direct influence over setting policies that impact domestic energy production:

***Topline message: Biden has defied statutory mandates to carry out energy development on public lands and has instead locked away such lands, depriving the U.S. and her allies of the benefits of domestically sourced energy:***

- During his first year and a half in office, President Biden leased the [fewest](#) federal acres for oil and gas production in modern history.
- Since then, the administration has not only continued to [stifle](#) leasing opportunities, but also rolled out a regulatory onslaught that will further diminish energy production on public lands. Recent examples include:
  - The Department of the Interior [cancelled](#) oil and gas leasing in the Arctic National Wildlife Refuge and National Petroleum Reserve – Alaska, in direct contravention to the Tax Cuts and Jobs Act, which mandated such leasing;
  - The Bureau of Land Management (BLM) recently finalized its “Conservation and Landscape Health” [rule](#), which empowers the BLM to lock away lands from energy

- development and other traditional uses, in direct contravention to the agency's multiple-use mandate;
- The BLM recently [finalized](#) its "Fluid Mineral Leases and Leasing Process" rule, which implements several provisions of the IRA that significantly increase royalty rates and other fees on domestic energy production and allows the BLM to incorporate "preference criteria" into oil and gas regulations to limit energy leasing opportunities;
  - The BLM [eliminating](#) new coal leasing in the United States' largest coal producing region; and
  - Banning mineral development opportunities in the [Superior National Forest](#) and [Chaco Canyon](#), which will only make the U.S. reliant on foreign nations such as China for needed mineral resources.
- Such regulations strip needed [revenues](#) from energy-producing states and increase reliance on foreign sources for energy and minerals.

*Other Radical Rulemaking* - Biden's attempt to force through his climate agenda extends to other recent regulations, including:

- The Security and Exchange Commission's final climate disclosure [rule](#), which seeks to pressure private companies to fund the left's environmental, social, and corporate governance (ESG) agenda by requiring companies to measure greenhouse gas emissions and so-called "climate risks";
- The EPA's [methane rules](#), which will impose a costly tax and sweeping regulations on oil and gas production;
- EPA's Particulate Matter (PM 2.5) [final rule](#), which threatens over one million jobs and hundreds of billions of dollars in economic activity, [according](#) to the National Association of Manufacturers;
- The Federal Energy Regulatory Commission finalized its [transmission planning rule](#) on a party-line vote that critics argue will disproportionately favor renewable energy projects and potentially socialize the costs to non-beneficiary states; and
- The U.S. Fish and Wildlife Service and National Marine Fisheries Service recently finalized [three rules](#) that would undo the Trump administration's reforms to modernize Endangered Species Act regulations, which will further exacerbate permitting delays and expand the federal government's regulatory footprint.

## **Conclusion**

House Republicans recognize that Biden has and will continue to abuse his authority to cater to the left's base of voters who demand a Green New Deal. He rewarded these voters immediately upon taking office by cancelling the Keystone XL pipeline, pausing federal energy leasing, and directing agencies to replace Trump-era regulations with new ones that inject a novel and dogmatic focus on "climate change" into federal policymaking. After these policies unleashed a wave of record-high [energy inflation](#) and gas prices, he raided the Strategic Petroleum Reserve in a desperate attempt to lower prices at the pump before the midterm election, [draining](#) the SPR to a 40-year low. He is facing continued pressure from the activist class to declare a climate emergency and is rushing to spend the vast influx of taxpayer dollars appropriated through his massive spending bills on green energy boondoggles.

Taken together, the policies outlined in this memo represent an effort to radically alter the country's energy landscape in ways the American people don't want and can't afford. Despite the wishes of Biden and his allies, demand for energy isn't going away. In fact, it's reaching [record highs](#). As a matter of policy, it is up to the President and the Congress to determine whether that demand is met by the United States, or through dependence on foreign nations, including adversaries such as [China](#), Russia, [Iran](#), and [Venezuela](#). Federal policies dictate whether we take an "all-of-the-above" approach to utilizing our vast energy resources, or steer money and bend regulations towards less reliable energy sources favored by the Left. Therefore, it is important that conservatives not lose sight of the dangers of Biden's energy policies and champion an agenda that fully utilizes our country's vast abundance of clean, reliable, and abundant energy resources.