



EPA CLIMATE CHANGE OVERVIEW + BIL & IRA

Iowa Strategic Goals Program

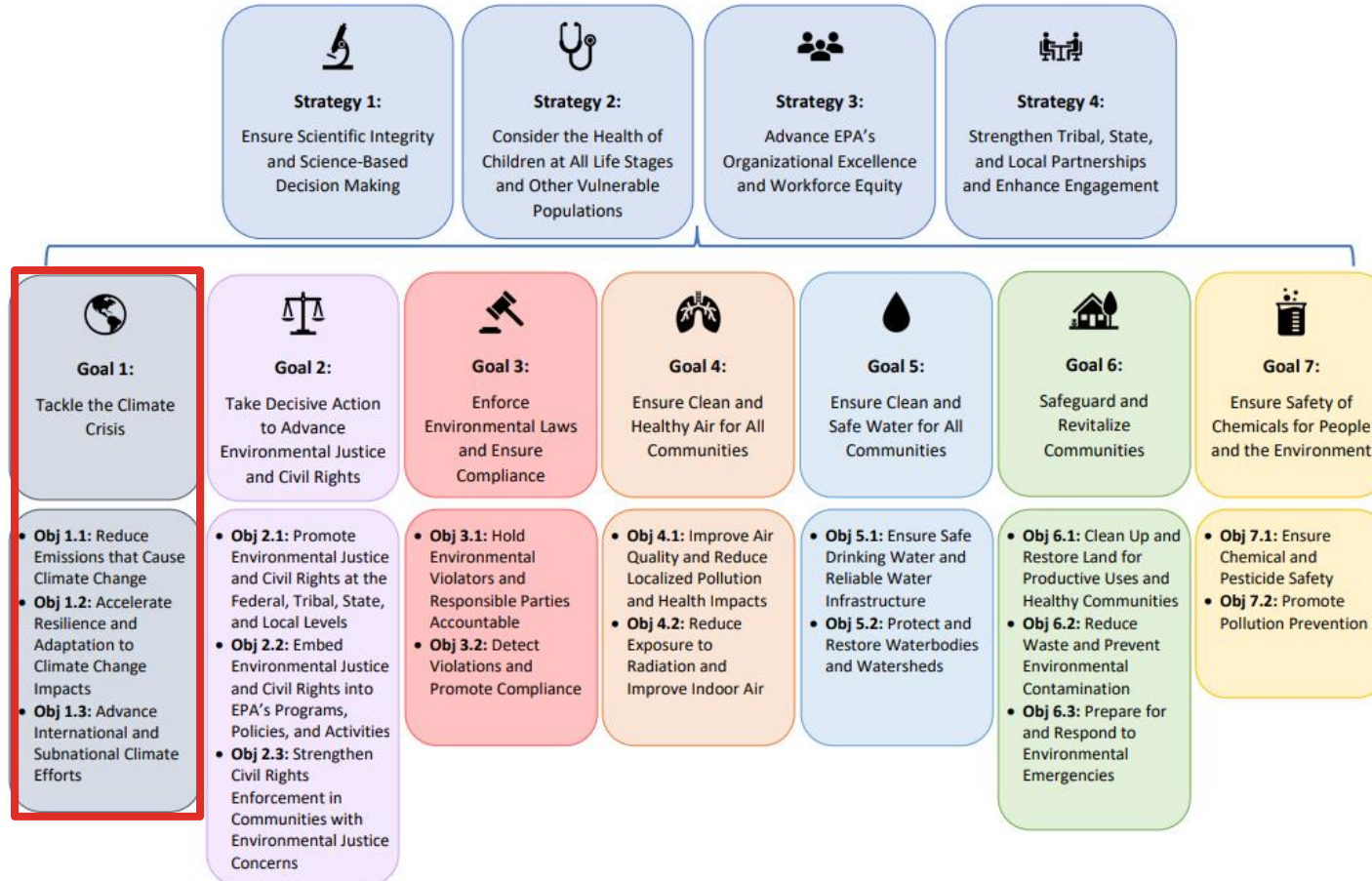
June 8, 2023


Andrew Wynne & Jenny Kissel, EPA Region 7

FY 2022-2026 EPA Strategic Plan Framework

Mission: To Protect Human Health and the Environment

Principles: Follow the Science, Follow the Law, Be Transparent, Advance Justice and Equity




BRIEFING ROOM

Executive Order on Tackling the Climate Crisis at Home and Abroad

JANUARY 27, 2021 • PRESIDENTIAL ACTIONS

The United States and the world face a profound climate crisis. We have a narrow moment to pursue action at home and abroad in order to avoid the most catastrophic impacts of that crisis and to seize the opportunity that tackling climate change presents. Domestic action must go hand in hand with United States international leadership, aimed at significantly enhancing global action. Together, we must listen to science and meet the moment.


By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

PART I — PUTTING THE CLIMATE CRISIS AT THE CENTER OF UNITED STATES FOREIGN POLICY AND NATIONAL SECURITY

Section 101. Policy. United States international engagement to address climate change — which has become a climate crisis — is more necessary and urgent than ever. The scientific community has made clear that the scale and speed of necessary action is greater than previously believed. There is little time left to avoid setting the world on a dangerous, potentially catastrophic, climate trajectory. Responding to the climate crisis will require both significant short-term global reductions in greenhouse gas emissions and net-zero global emissions by mid-century or before.


- Directed development of Agency Climate Action Plans
- Created the Justice40 Initiative (Section 223)




U.S. ENVIRONMENTAL PROTECTION AGENCY

Climate Adaptation Action Plan


OCTOBER 2021




- Directed development of Climate Adaptation Implementation Plans



U.S. ENVIRONMENTAL PROTECTION AGENCY





REGION 7

Climate Change Adaptation Implementation Plan

FISCAL YEAR 2022-2023

- Covers 5 Agency-wide priorities and 28 region-specific actions

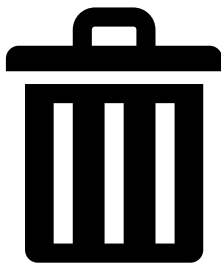
BIL OVERVIEW

\$60B over five years to EPA



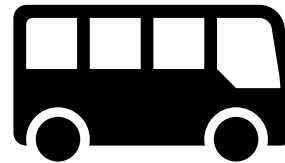
\$50B – Water infrastructure (SRFs, Pb, emerging contaminants)

- FY22 Results: \$4B
 - **Region 7: >\$270M**



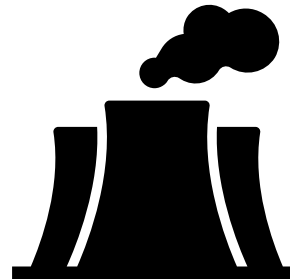
\$5B – Superfund, Brownfields, RCRA / Recycling

- FY22 Results: \$1B (Superfund), \$190M (brownfields)
 - **Region 7: >\$85M @ 18 sites (Superfund), >\$12M (brownfields)**



\$5B – Clean School Bus

- FY22 Results: ~\$1B for >2,400 clean school buses in ~400 school districts
 - **Region 7: 105 buses to 48 school districts**

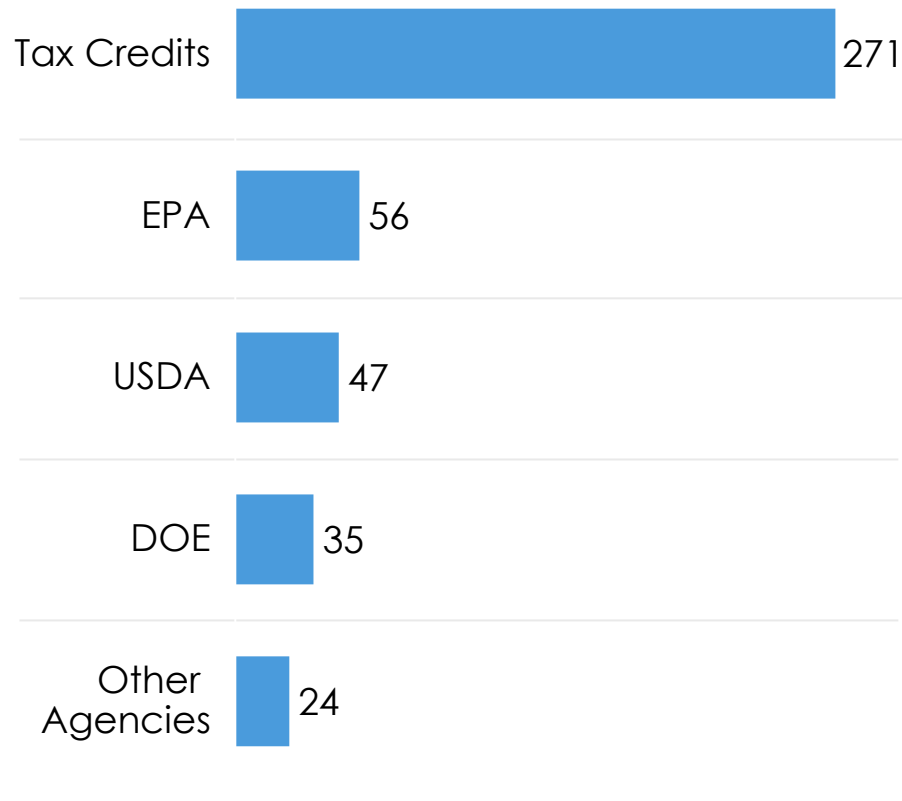


\$100M – Pollution Prevention

- FY22 Results: \$11M
 - **Region 7: >\$1.5M**

IRA OVERVIEW

Total Climate & Energy Funding (\$B)



Significant support for the electricity sector, manufacturing, energy efficiency, electric vehicles, and low carbon fuels¹

Includes \$41.5B in appropriated spending and \$11.7B in new Superfund tax revenue

At least 15 other agencies received appropriated funding
Other agencies that received over \$1B include:

- Department of the Interior (\$6.7B)
- Department of Transportation (\$5.4B)
- General Services Administration (\$3.4B)
- Department of Commerce (\$3.3B)
- U.S. Postal Service (\$3B) ← *Electric postal trucks!*
- Housing and Urban Development Agency (\$1B)

1. Preliminary Joint Committee on Taxation analysis. Further CBO projections pending.
Source: Senate Democrats, Joint Committee on Taxation, CBO

EPA IRA PROGRAMS

\$41.5B to EPA to support 24 new and existing programs, with **six (6) new programs accounting for 98%:**

- Greenhouse Gas Reduction Fund (\$27B)
- Climate Pollution Reduction Grants (\$5B)
- Environmental & Climate Justice Block Grants (\$3B)
- Grants to Reduce Air Pollution at Ports (\$3B)
- Methane Emissions Reduction Program (\$1.55B)
- Clean Heavy-Duty Vehicles (\$1B)

ADDITIONAL EPA PROGRAMS

<u>National Program Office & Program</u>	<u>Funding (\$M)</u>
Office of Air and Radiation (OAR)	491
Funding to Address Air Pollution - Fenceline Air Monitoring & Screening Air Monitoring	235.5
Low Emissions Electricity Program	87
Diesel Emissions Reductions	60
Funding to Address Air Pollution at Schools	50
Funding for Implementation of the American Innovation & Manufacturing Act on HFCs	38.5
Funding for Section 211(o) of the Clean Air Act (Renewable Fuels)	15
GHG Corporate Reporting	5
Office of Chemical Safety and Pollution Prevention (OCSP)	350
Environmental Product Declaration Assistance	250
Low-Embodied Carbon Labeling for Construction Materials	100
Permitting (Multiple Offices)	40
Efficient, Accurate, & Timely Permitting Reviews	40
Office of Enforcement and Compliance Assurance (OECA)	25
Funding for Enforcement Technology & Public Information	25

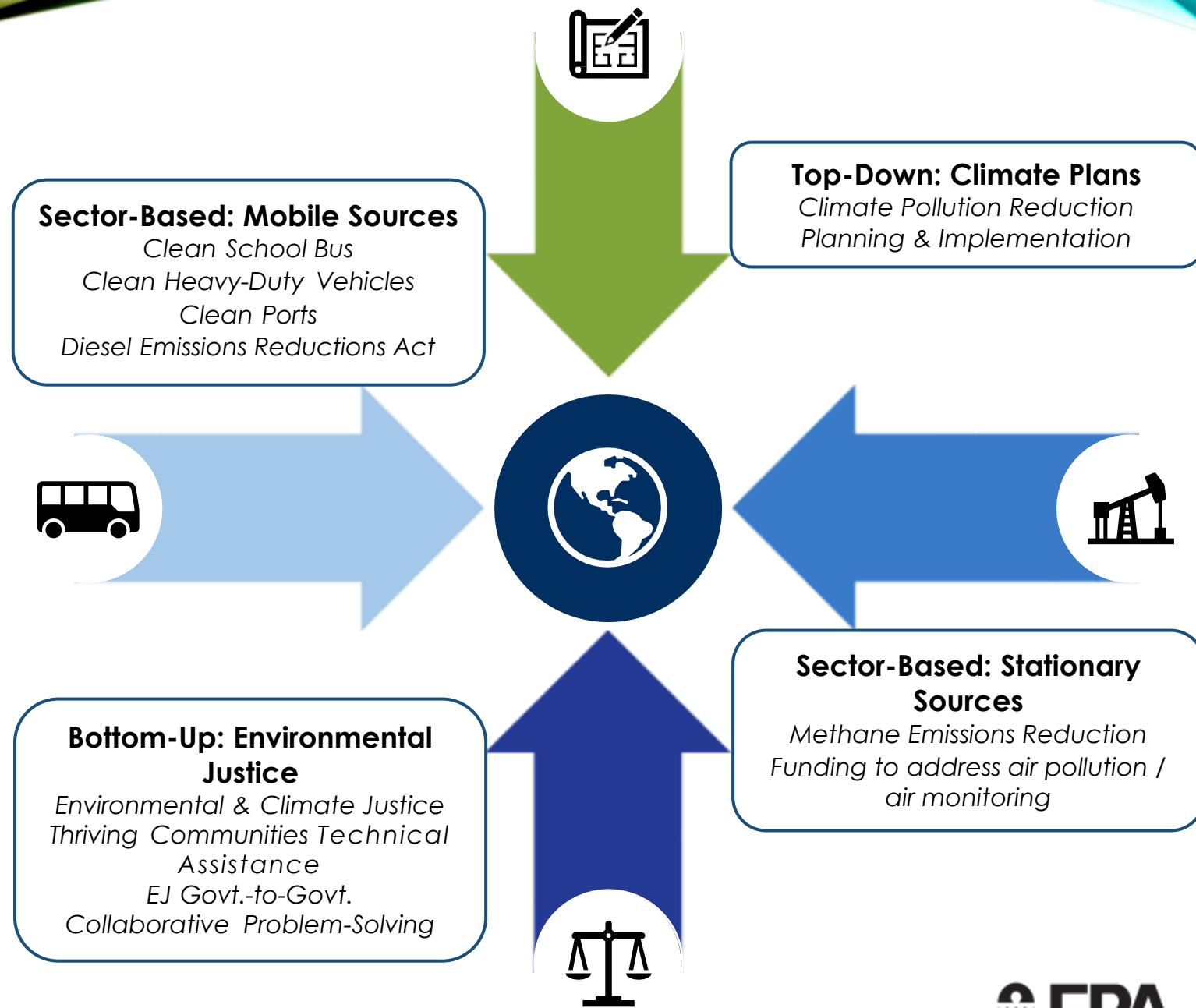
KEY TAKEAWAYS

- **Many of these programs build on existing programs** and can proceed quickly through established relationships with state and local partners.
- **Embodied carbon programs will inform other infrastructure projects** such as roads, bridges, and ports.
- **A major investment in permitting will bolster EPA's capacity** to provide quality, timely environmental reviews and permitting for critical projects.

BUILDING ON & LEVERAGING INVESTMENTS

	Inflation Reduction Act (IRA)	Bipartisan Infrastructure Law (BIL)
Environmental Justice	\$60B including new grant programs to reduce pollution; Greenhouse Gas Reduction Fund with a focus on low-income communities; and bonus credits for clean energy projects and jobs in disadvantaged communities	\$21B to clean up legacy pollution; \$15B to replace lead pipes; \$10B for clean buses; \$500M for LIHEAP
Power Sector	Clean energy tax credits that will more than double wind, solar, and battery storage deployment; >\$10B for rural electric systems and clean energy upgrades; \$2B for transmission projects	\$16.5B for grid upgrades like transmission; >\$9B for nuclear and hydropower
Transportation	Tax credits for EVs (up to \$7,500 new/\$4,000 used); clean commercial vehicles, EV chargers, and Sustainable Aviation Fuel; \$3B for clean USPS trucks; \$1B for other heavy-duty vehicles	>\$90B for public transportation; \$66B for rail; \$7.5B for EV charging; \$7B for battery supply chains; \$6.4B for state actions
Industry	\$60B for U.S. clean energy manufacturing; \$6B for cleaner industrial facilities; \$1.5B for methane reduction	\$9.5B for clean hydrogen; \$10B for direct air capture and carbon capture
Buildings	\$9B in rebates for electric appliances and efficiency upgrades; tax credits for home/business retrofits and efficient new construction; \$1B for affordable housing upgrades; \$1B for building codes	\$3.5B for Weatherization Assistance Program; \$550M for energy efficiency block grants; \$500M for clean and efficient school buildings
Land / Agriculture	\$21B for climate-smart agriculture and forestry	\$1.4B for ecosystem restoration and resilience
Climate Resilience	\$4.5B for drought; \$2.6B for coastal communities; \$1.8B to reduce wildfire risk in National Forests; \$1.5B for urban tree planting	\$50B for resilience to drought, wildfire, heat, flooding, coastal impacts, and other threats

TACKLING CLIMATE & AIR POLLUTION FROM MULTIPLE ANGLES



CLIMATE POLLUTION REDUCTION GRANT (CPRG) PROGRAM

Program Objectives

- Create comprehensive pathways for reducing pollution
- Establish flexible planning resources
- Transform and scale decarbonization efforts in key sectors

Program Structure

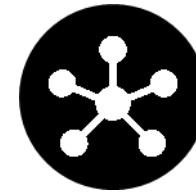
- **Planning Grants (\$250M)** – To develop strong climate pollution reduction strategies
 - Administered through non-competitive cooperative agreements
- **Implementation Grants (\$4.6B)** – To put plans into action
 - Competitively awarded
 - Notice of Funding expected in 2023
 - Applications due early 2024

CPRG DELIVERABLES



Priority Climate Action Plan (PCAP)

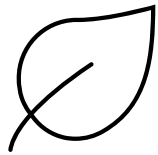
- Due **March 1, 2024**
- Near-term, implementation- ready, **priority greenhouse gas (GHG) reduction measures**
- **Prerequisite** for implementation grant



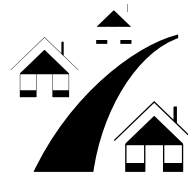
Comprehensive Climate Action Plan (CCAP)

- Due in **2025** (later for tribes and territories)
- **All sectors** / significant GHG sources and sinks
- **Near- and long-term** GHG emission reduction goals and **strategies**

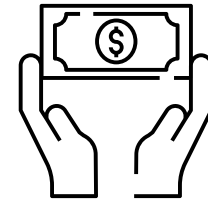
GREENHOUSE GAS REDUCTION FUND (GHGRF)



**Reduce emissions of
greenhouse gases and
other air pollutants**



**Deliver benefits to American
communities – especially low-
income and disadvantaged
communities**



**Mobilize financing and
private capital to stimulate
additional deployment**

GHGRF STRUCTURE

<u>Fund Name</u>	<u>Eligible Applicants</u>	<u>Use of Funds</u>	<u>LIDAC Requirements</u>
Zero-Emission Technologies \$7.00B	States, Tribal and municipal governments, and 'eligible recipients' (defined below)	<ul style="list-style-type: none"> • Grants, loans, other forms of financial assistance as well as technical assistance • Funds for low-income and disadvantaged communities (LIDAC) to benefit from zero-emissions technologies 	100% of funds must enable LIDACs to deploy or benefit from zero-emission technologies
General Assistance & Low-Income and Disadvantaged Communities \$19.97B	Eligible recipient defined as: <ul style="list-style-type: none"> • A nonprofit that provides capital, including by leveraging private capital • Does not take deposits other than from repayments and other revenue from using these grant funds • Is funded by public or charitable contributions • Invests in or finances projects alone or with investors 	<ul style="list-style-type: none"> • Direct investments in qualified projects—which is any project activity that reduces greenhouse gas emissions and other air pollution in partnership with the private sector or a project which assists communities in their efforts to reduce greenhouse gas emissions and other air pollution • Indirect investments through funding and technical assistance to establish new or support existing public, quasi-public, and nonprofit entities that provide financial assistance to qualified projects at the state, local, territorial, or Tribal level 	~40% of funds for financial and technical assistance in LIDACs

GHGRF COMPETITIONS



National Clean Investment Fund

Competition description

Fund national nonprofits to partner with private capital providers to deliver financing at scale, catalyzing tens of thousands of clean technology projects

Number & type of grantees

2-3 national nonprofits

Funding

~\$14B

Expected impacts

Historic public sector investment with the scale to attract private capital leverage in clean projects, supporting the 2030, 2035, & 2050 climate goals of the U.S. and catalyzing tens of thousands of clean technology projects



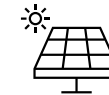
Clean Communities Investment Accelerator

Fund hub nonprofits to rapidly build clean financing capacity of networks of community lenders to finance pollution-reducing projects in low-income & disadvantaged communities

2-7 hub nonprofits

\$6B

Robust pipeline of thousands of community-led clean projects with meaningful benefits, generated by hundreds of community lenders capitalized by GHGRF to start or expand clean lending in underserved communities



Solar for All

Support states, territories, Tribal & municipal governments, & nonprofits to expand access to solar for low-income & disadvantaged communities by priming markets for investment

Up to 60 states, Tribal & municipal governments, & eligible nonprofit entities

\$7B

Energy bill savings and energy resiliency for millions of underserved American households via new or expanding existing low-income solar programs across the country

RESOURCES & ENGAGEMENT

Climate Website: www.epa.gov/climate-change

Bipartisan Infrastructure Law: <https://www.epa.gov/infrastructure>

- BIL Year One Report: www.epa.gov/system/files/documents/2022-11/BIL_Anniversary_Report_11142022.pdf

Inflation Reduction Act: www.epa.gov/inflation-reduction-act

BIL & IRA Funding Announcements: <https://www.epa.gov/invest/epa-funding-announcements-bipartisan-infrastructure-law-and-inflation-reduction-act>

Region 7 BIL & IRA Program Information (w/ points of contact):
<https://www.epa.gov/grants/region-7-bil-and-ira-grants-information>

QUESTIONS / COMMENTS?

Andrew Wynne

Climate Advisor, EPA Region 7

wynne.andrew@epa.gov

(913) 551-7993

Jenny Kissel

Inflation Reduction Act Advisor, Air &
Radiation Division, EPA Region 7

kissel.jenny@epa.gov

(913) 551-7982