



Client Note: Congress Goes from Zero to Sixty

House is Open for Business

On Wednesday, after 22 days without a Speaker, Representative Mike Johnson (R-LA) was elected Speaker after just one round of voting. He triumphed after the successive failures of former Speaker Kevin McCarthy (R-CA), Majority Leader Steve Scalise (R-LA), Judiciary Committee Chairman Jim Jordan (R-OH) (who was ousted by Republicans as the nominee soon after our client note went out last Friday), and Majority Whip Tom Emmer (R-MN) (who was the Republican's nominee for only four hours on Tuesday before dropping out). Speaker Johnson's surprise victory comes in part from his relative anonymity (and thus lacking enemies), in part since he is staunchly right wing (winning over the conservatives), and in part because Members were tired of the chaos and wanted to get back to business (helping push the moderates over the edge). Now holding the second spot in the line of succession to the President, Speaker Johnson has hit the ground running with [an ambitious plan](#) to complete the eight remaining appropriations bills in the next three weeks (and pass a CR through either January 15 or April 15), tackle FAA reauthorization in November, wrap up the annual defense authorization bill in December, and close out the year sending a House-passed Farm Bill to the Senate.

Johnson might be the most conservative Speaker in history, with far right Representative Matt Gaetz (R-FL) and former President Trump calling him "[Maga Mike](#)". He was a key leader in trying to overturn the 2020 election, supports banning abortions, opposes same-sex marriage rights, opposes supporting Ukraine, and voted against the CR to keep the government open through November 17.

Among Speaker Johnson's extremely conservative views includes his [pro-oil climate skepticism](#). It comes as no surprise that the Louisiana Republican will be unfriendly to clean energy; he has already received applause and praise from the oil and gas industry and prominent climate deniers. In fact, the first bill he passed under his Speakership was the Energy and Water Appropriations bill, which rescinds more than \$5.5 billion in climate funds from the IRA. Speaker Johnson has voted against nearly all climate legislation (he has a lifetime score of 2 percent from the LCV, and a 100 percent score in 2022 from the fossil-supporting American Energy Alliance), alongside obtaining \$240,000 in campaign contributions from the oil and gas industry since 2018.

Senate Takes Up Controversial Climate Amendments to the Minibus

This week, the Senate began consideration of amendments to the three-bill appropriations package of Military Construction-Veterans Affairs, Agriculture, and Transportation-Housing (called a "minibus" in Hill parlance). Of the 40 amendments to be considered, a few have controversial climate-related language. Senator Marco Rubio's (R-FL) [amendment](#) would have prohibited the federal government from updating minimum energy efficiency standards for new federally supported housing. The federal government has failed to update these standards since 2015, leaving many homes with costly energy bills and expensive retrofits in the future. On Wednesday, the Senate voted 47-51 to reject the amendment.

Additionally, the Senate plans to hold votes on an [amendment](#) introduced by Senator Josh Hawley (R-MO) that would prohibit grants and other types of funding to “Chinese entities,” broadly defined as being headquartered in China or controlled by entities in the country based on a definition in [current law](#). Only a simple majority is required for its adoption, which could impact some clean energy investments.

Lastly, the chamber will vote on an [amendment](#) to prohibit the use of funds in the reporting of GHG emissions on the national highways system under the Federal Highway Administration’s [proposed regulation](#). It was introduced by Senator Kevin Cramer (R-ND) and requires a 60-vote majority for adoption because it is not considered germane to the underlying bill.

In addition to the minibus, the Senate will begin negotiating President Biden’s \$105 billion supplemental funding request for national security and humanitarian aid – including for Ukraine, Israel, Gaza, Taiwan, and the southern border. Senate Republicans have [issued concerns](#) about coupling aid for Ukraine and Israel together, sending any humanitarian funding to civilians in the Gaza Strip, and leaving out policy changes for border security. The Senate Appropriations Committee [will hear from](#) Secretary of State Anthony Blinken and Defense Secretary Lloyd Austin next Tuesday to discuss the need to pass the supplemental funding request.

The current short-term government funding agreement expires on November 17th and it’s likely that the Administration’s supplemental request gets rolled into a shutdown debate. Whether House Republicans can coalesce behind Johnson’s plan and pass a bill to fund the government that is acceptable to both the Senate and President remains to be seen.

UAW and Ford Reach Tentative Agreement

Six weeks into the United Auto Workers (UAW) strike at Ford, GM, and Stellantis plants across the country, UAW leadership reached a tentative agreement with Ford. The agreement achieves a [25% base wage increase](#) for UAW members (with different positions receiving even larger increases), increases cost of living allowances, and makes improvements to 401(k) plans and pensions. The agreement still needs to be voted on and approved by a simple majority of UAW members, but could pave the way for similar agreements with GM and Stellantis. No word yet on whether the agreement will have any effect on the fate of Ford’s proposed EV battery plant in Michigan ([currently on pause](#)), or if the deluge of criticism on EVs from the GOP will keep it from moving forward.

Positive Economic News Ahead of Next Fed Meeting

The Federal Reserve’s preferred gauge of inflation showed continued cooling in new data released this morning by the Department of Commerce. The Personal Consumption Expenditures (PCE) price core index year-over-year came in at [3.7 percent](#); over the last six months, the rate is 2.8 percent and over the last three months, it’s 2.5 percent. This news comes after [new GDP numbers](#) showing the U.S. economy grew at 4.9 percent in Q3, gangbusters growth showing the economy shrugging off the Fed’s rate-hike campaign. With the PCE report, it is now a certainty that the Fed will continue to hold the short-term interest rate at 5.25 percent (rather than another increase) at its next meeting on November 1st, and the bigger question will be to see if Chairman Powell gives any indication of how long rates will stay high and what would cause the Fed to start reducing them.

Funding Opportunity Announcements (FOAs)

This week, DOE issued two requests for information (RFI) related to electric grid integration and interconnection. The [first RFI](#) seeks to understand the challenges and opportunities of integrating solar energy systems and other inverter-based resources to bulk power systems, distribution systems, and microgrids. Responses are due from relevant stakeholders by November 30. The [second RFI](#) is to gather input on a [draft Transmission System Interconnection Roadmap](#), especially on the feasibility of the proposed timelines. Responses are due November 22.

Additionally, DOE [announced](#) its intent to issue \$38 million in funding to support RD&D projects utilizing cross-sector technologies for industrial decarbonization. The FOA is expected sometime next month.

Lastly, don't miss these upcoming deadlines to engage with DOE:

- Concept papers for the [\\$300 Million Grant Program for Transmission and Permitting Support](#) are due October 31;
- Concept papers for the [\\$2 Billion FOA for the Domestic Manufacturing and Conversion Grants Program](#) are due November 1;
- Applications for the [\\$10 Million Program Improve Planning, Siting, and Permitting for Large-Scale Renewable Energy](#) are due November 3; and,
- Concept papers for the [\\$30 Million FOA for Solar-Thermal Fuels and Energy Storage RD&D Projects](#) are due November 3.

Pioneer and Clients in the News

[Pierson Stoecklein](#) was [quoted](#) in *Utility Dive* on challenges faced by microgrid developers, such as high interest rates and uncertainty about forthcoming Treasury guidance, and why extending the investment tax credit for controllers would help ease those challenges.

[Brimstone](#) and their new innovative way to decarbonize cement [was highlighted](#) by Canary Media, where CEO Cody Finke discussed the potential of the technology and why its third-party verification received in July is so important.

[Universal Hydrogen](#) [announced a partnership](#) with JBT AeroTech to develop H2AmpCart, a hydrogen fuel cell-powered mobile battery charger for existing electrified airport GSE.

Next Week: [Hearings to Watch](#)

Tuesday, October 31st, 2023

Senate Appropriations

“A Review of the National Security Supplemental Request”
(9:30AM EDT), watch [here](#).

Senate HELP Subcommittee on Employment and Workplace Safety

“Hearings to examine AI and the future of work”
(10:00 AM EDT), watch [here](#).

Wednesday, November 1st, 2023

Senate EPW

“Hearings to examine the science of extreme event attribution, focusing on how climate change is fueling severe weather events.”

(10:00 AM EDT), watch [here](#)

Thursday, November 2nd, 2023

Senate ENR

“Hearings to examine the opportunities and challenges in deploying carbon capture utilization and sequestration and direct air capture technologies on federal and non-Federal lands.”

(10:00 AM EDT), watch [here](#)

House Financial Services Subcommittee on Capital Markets

“Examining the SEC’s Agenda: Unintended Consequences for U.S. Capital Markets and Investors”

(10:00 AM EDT), watch [here](#)

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