

The Pioneer team is going on our annual retreat Friday-Tuesday to get everyone under one roof and plan for 2024 – we'll be back in the office on Wednesday, and may be delayed in responding to emails until then

Client Note: A Week of Little Progress

Deadlines Approaching for IRA Tax Credit Guidance and Other Rulemakings

As we've previously mentioned, the IRS continues to work on guidance for the IRA tax credits. As part of that process, they ask for comments from the public to help shape the rulemaking. Two upcoming deadlines are:

- February 13: Comments on the 45X Advanced Manufacturing Production Tax Credit are due.
- February 26: <u>Comments</u> on the **45V** Clean Hydrogen Production Tax Credit are due.

For more on the status of other clean energy tax credits, as well as key climate and environment rulemakings being finalized this year, check out *our regulatory snapshot*.

The Heartbeat on the Hill

<u>Appropriations:</u> Funding deadlines still sit on March 1st and March 8th for different agencies. No public progress has been made.

<u>Supplemental aid package</u>: This package may be doomed now that Minority Leader Mitch McConnell has <u>suggested splitting the Ukraine/Israel/Taiwan security funding from a bipartisan border enforcement deal</u> after Republicans insisted for months – including <u>to Ukrainian President Zelensky</u>– that the two issues had to be linked.

McConnell and Republicans have now apparently decided that the political upside of running ads against Democrats on the border issue is much more enticing than attempting to address the problem and risk giving President Biden an ostensible victory. It's unclear how Congress finds a path forward to help Ukraine and our allies beat back an imperialist Russia (aided by Iran and North Korea) from trying to expand its control of Eastern Europe.

<u>Tax deal</u>: This package, containing expansions of the child tax credit (CTC) and several business tax credits, may have run into a snag as Members of Congress (particularly Republicans) are fighting for their individual interests - conservatives are arguing the CTC will help undocumented immigrants and encourage people to quit their jobs (despite <u>a Joint Committee on Taxation report</u> saying the revised CTC "on net increases labor supply"); progressives, on the other hand, wish the CTC was more generous; and elsewhere, New York Republicans want the package to remove the limit on state and local tax (SALT) deductions. The House is on a path to try to pass the bill under suspension of the rules (requiring two-thirds support), which could build momentum for Senate passage.

<u>Farm Bill:</u> In addition to appropriations stealing Congressional focus from the Farm Bill, the same is <u>apparently true for CBO</u> as they're only just now getting the Agriculture Committees scores back for proposals from last July. This is all leading some to acknowledge that the Farm Bill might not come together until after the November elections.

<u>FAA:</u> Reauthorization deadline sits on March 8th and seems likely to be tied to a final appropriations agreement.

UAW Finally Endorses President Biden

Following months of auto worker strikes in the Midwest and Rust Belt, which ended in favorable contract terms for the United Auto Workers (UAW), union leadership <u>pledged its support</u> for President Biden at their conference in DC on Wednesday. The union's endorsement could carry political weight in the battleground state of Michigan and underscores the effect of the president's support during the fall strikes. It is notable, however, that the UAW made the president <u>work hard for their endorsement</u> and took so long to do it, even as other unions endorsed him with little outward hesitation and there's no evidence that the UAW has ever endorsed a Republican presidential candidate.

GOP Primary Field Scrambles to Kiss the Ring

Over the last couple of weeks, candidates Chris Christie, Vivek Ramaswamy, and Ron DeSantis have dropped out of the race for the GOP nomination, with the latter two endorsing former President Trump shortly thereafter. With Trump winning the Iowa caucuses by <u>nearly thirty points</u> and the New Hampshire primary by <u>eleven points</u>, there is no doubt that Republicans are still standing by the former president, even despite his vast legal troubles. The other remaining candidate, former South Carolina Governor and U.N. Ambassador Nicki Haley, has said she <u>intends</u> to continue running at least through the primary in her home state of South Carolina on February 24th, though there is no indication she can win there either.

Funding Opportunities

This week, DOE issued two requests for information (RFI) related to solar energy development:

- seeks to better understand technology development needs and commercialization opportunities for receivers and reactors used in concentrating solar-thermal power (CSP) plants for electricity generation and concentrating solar-thermal (CST) plants for solar industrial process heat (IPH) generation.
 - Responses are due February 20th.
- 2) seeks insight from a wide variety of stakeholders on successfully deploying distributed solar and related technologies through industry, government, and utility-led programs designed to serve low-income and disadvantaged communities.
 - Responses are due February 23rd.

Lastly, concept papers for the <u>\$7 million Solar Energy Evolution and Diffusion Studies 4 (SEEDS 4)</u> funding opportunity, which supports social science research projects that give insight to improve large-scale solar siting processes and outcomes for local communities and the industry are due January 30th.

Responses to the <u>RFI</u> on the opportunities to deploy supercritical carbon dioxide (sCO₂) based turbomachinery for CSP plants are due January 31st.

Next Week: <u>Hearings to Watch</u>

Wednesday, January 31st

Senate Environment and Public Works Meeting

"Hearings to examine avoiding, detecting, and capturing methane emissions from landfills." (10:00 AM EST), watch here

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