

Client Note: Government Shutdown Inbound

We're now about 36 hours away from a near imminent lapse in appropriations, notwithstanding a turnabout from either the House Freedom Caucus or Speaker McCarthy. The <u>far right seems as poised as ever</u> to continue objecting to the Senate's bipartisan stopgap funding bill or any realistic short-term funding patch.

Shortly after the House advanced a procedural vote on a <u>right wing continuing resolution (CR) with massive cuts</u> and controversial border provisions – it sank in final passage on a 198-232 vote (with 21 Republicans in opposition). Even if it would've survived the House, it had no shot at passing in the Senate. However, a group of bipartisan Senators is working toward a potential border funding amendment in hopes that a revised version of the Senate's CR currently under debate could later pass the House.

After the failed CR vote, House GOP leadership announced there will be additional votes on Saturday. Unless something changes behind closed doors of what appears to be an <u>increasingly toxic</u> House Republican Conference, many federal government employees will be sent home and a host of programs will be put on pause starting this weekend. Here's how it relates to environment and clean energy policy:

- After October 7th, the EPA's civil enforcement activities will largely be paused.
- EPA oversight at drinking water facilities could stop, as it did during the 2013 shutdown.
- "Detrimental" effects on EPA's air pollution and climate rulemaking could take place, according to Administrator Regan.
- There may be <u>delays in environmental reviews</u> and the permitting of energy projects.
- FEMA's ability to respond to natural disasters could be in jeopardy.
- National parks will close.
- Clean energy grant and financing programs may be impacted.
- IRA tax credit guidance for several credits may be further delayed.

In the bigger political picture, the first action to ward off the harm of a shutdown might be to pass legislation to continue pay for active-duty members of the military; without such a change, servicemembers would go without pay starting on Oct. 13. Congress <u>passed such a law in the hours prior</u> to the 2013 shutdown, but Democrats weren't thrilled about it since it didn't address the pay gap for other federal government workers in critical roles. Ten years later, it's unclear if the politics have changed at all; a debate on why service members should get paid, but not border patrol or air traffic controllers or child care center workers isn't something most members want to get into.

See <u>here</u> for links to each agency's contingency plan.

In Other News

- Legendary Senator Dianne Feinstein (D-CA) <u>died this morning</u> at 90. She was a historic leader and legislator and it now falls to Governor Newsom to appoint her replacement. Until then, Democrats' slim majority in the Senate falls to 50-49.
- Following up on our conversation on the UAW strike last week President Biden visited striking UAW workers, becoming the <u>first sitting president to join a picket line</u>. Former President Trump traveled to Michigan to <u>speak about the strike at a non-union factory</u>. Additionally, today the <u>strike expanded</u> to an additional GM and Ford plants, increasing the number of workers striking to 25,000.
- The second Republican presidential primary debate happened on Wednesday (which Trump skipped again), with a <u>wide variety of attacks on clean energy</u>. The most memorable included former South Carolina Governor Nikki Haley attacking Florida Governor Ron Desantis for banning fracking on his second day as governor and former Vice President Mike Pence attacking President Biden on energy policy (quickly <u>debunked</u> by fact checkers).
- Senator Bob Menendez (D-NJ) was charged last Friday with bribery, the second time in less than 10 years. Unlike at the time of his last indictment, more than half of Senate Democrats have called for him to resign. While he stepped down from his position as Chair of the Senate Foreign Relations Committee (Sen. Ben Cardin is filling in), Senator Menendez has vowed to stay in the Senate and fight the charges again.

Funding Opportunity Announcements (FOAs)

DOE <u>issued</u> a \$50 million funding opportunity for projects that demonstrate effective distributed energy systems. They intend to provide up to a fifty percent cost-share for between two and four utility and/or private sector-led projects. Interested parties must <u>submit</u> concept papers are due November 16.

Also this week, DOE <u>announced</u> \$10 million in funding to support research on high-voltage direct current (HVDC) transmission systems, which ultimately seeks to enable long distance transmission for offshore wind. Concept papers are <u>due</u> November 14.

Lastly, concept papers for the <u>Two Billion Dollar Domestic Manufacturing and Conversion Grants</u> Program, which supports the domestic production of EVs, are due October 2.

Pioneer and Clients in the News

<u>Universal Hydrogen kicked off its first in a series of test flights</u> at the Mojave Air & Space Port in California, flying the hydrogen-fueled plane for twenty minutes.

<u>Brimstone</u> CEO Cody Finke <u>joined</u> DOE LPO Director Jigar Shah to discuss Brimstone's carbon-negative and certified normal portland cement, and the future of clean construction.

Solar Energy Industries Association (SEIA) CEO Abigail Ross Hopper wrote an op-ed in the *Washington Times* on how the solar and storage industry is positioning the U.S. to lead the global clean energy economy.

The <u>Zero Emission Transportation Association (ZETA)</u> released a whitepaper on the path forward for critical minerals in the United States to meet the economic and security needs of a clean transportation future.

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