

# EPA CLIMATE CHANGE OVERVIEW + THE BIL & IRA

IOWA STRATEGIC GOALS PROGRAM DEC. 8, 2022

ANDREW WYNNE, EPA REGION 7





Mission: To Protect Human Health and the Environment

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



### Strategy 1:

Ensure Scientific Integrity and Science-Based **Decision Making** 



### Strategy 2:

Consider the Health of Children at All Life Stages and Other Vulnerable Populations



### Strategy 3:

Advance EPA's Organizational Excellence and Workforce Equity



#### Strategy 4:

Strengthen Tribal, State, and Local Partnerships and Enhance Engagement



#### Goal 1:

Tackle the Climate Crisis

- Climate Change
- Resilience and Adaptation to Climate Change Impacts



### Goal 2:

Take Decisive Action to Advance **Environmental Justice** and Civil Rights



### Goal 3:

Enforce **Environmental Laws** and Ensure Compliance



### Goal 4:

Ensure Clean and Healthy Air for All Communities



### Goal 5:

**Ensure Clean and** Safe Water for All Communities



### Goal 6:

Safeguard and Revitalize Communities



#### Goal 7:

Ensure Safety of Chemicals for People and the Environment

- Obj 1.1: Reduce **Emissions that Cause**
- Obj 1.2: Accelerate
- Obj 1.3: Advance International and Subnational Climate Efforts
- Obj 2.1: Promote Environmental Justice and Civil Rights at the Federal, Tribal, State, and Local Levels
- Obj 2.2: Embed Environmental Justice and Civil Rights into EPA's Programs, Policies, and Activities
- Obj 2.3: Strengthen Civil Rights Enforcement in Communities with Environmental Justice Concerns
- Obj 3.1: Hold Environmental Violators and **Responsible Parties** Accountable
- · Obj 3.2: Detect Violations and Promote Compliance
- . Obj 4.1: Improve Air Quality and Reduce Localized Pollution and Health Impacts
- Obj 4.2: Reduce Exposure to Radiation and Improve Indoor Air
- Obj 5.1: Ensure Safe Drinking Water and Reliable Water Infrastructure
- Obj 5.2: Protect and Restore Waterbodies and Watersheds
- Obj 6.1: Clean Up and Restore Land for Productive Uses and **Healthy Communities**
- Obj 6.2: Reduce Waste and Prevent Environmental Contamination
- Obj 6.3: Prepare for and Respond to Environmental Emergencies
- Obj 7.1: Ensure Chemical and Pesticide Safety
- Obj 7.2: Promote Pollution Prevention

www.epa.gov/planandbudget/strategicplan





BRIEFING ROOM

# Executive Order on Tackling the Climate Crisis at Home and Abroad

JANUARY 27, 2021 · PRESIDENTIAL ACTIONS

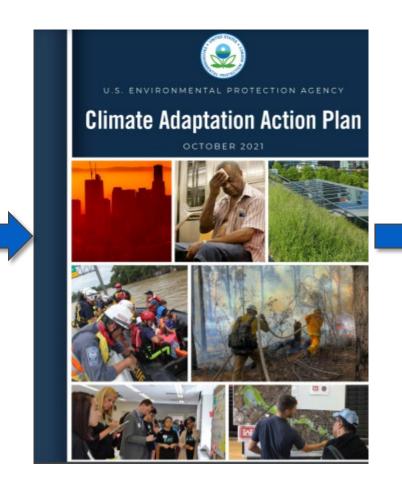
The United States and the world face a profound climate crisis. We have a narrow moment to pursue action at home and abroad in order to avoid the most catastrophic impacts of that crisis and to seize the opportunity that tackling climate change presents. Domestic action must go hand in hand with United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

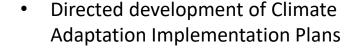
By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

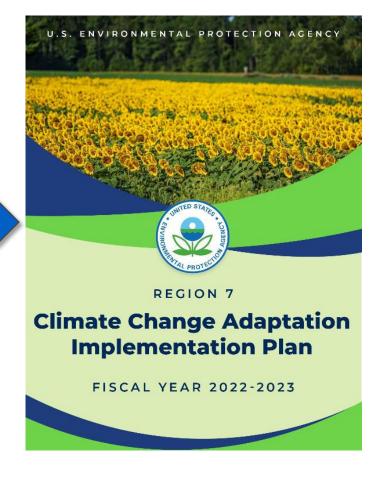
PART I — PUTTING THE CLIMATE CRISIS AT THE CENTER OF UNITED STATES FOREIGN POLICY AND NATIONAL SECURITY

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 netzero global emissions by mid-century or before.

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







- Covers five Agency-wide priorities and 28 region-specific actions
- Publicly available as of October 2022

www.epa.gov/climate-adaptation/climate-adaptation-plan



# BIL OVERVIEW

- The Bipartisan Infrastructure Law (BIL), or Infrastructure, Investments and Jobs Act (IIJA), provides EPA with more than \$60B over five years.
  - \$50B Water Infrastructure programs (e.g., State Revolving Funds)
  - \$5B Superfund, Brownfields, and Recycling/RCRA grants
  - \$5B Clean School Bus program
  - \$100M Pollution Prevention grants
- Already awarded \$5.5B of the \$14.1B available in FY22. Highlights include:
  - \$4B in water infrastructure funds under SRF programs
  - 20 state capitalization grants for lead service line identification and replacement
  - \$5B grant program set up to address emerging contaminants, including PFAS
  - Nearly \$1B to purchase over 2,400 electric and clean school buses in nearly 400 school districts
  - \$1B for Superfund site cleanup activities and \$190M for brownfield projects
- More information on these programs, as well as expected results for future investments, can be found in the Year One Report: <a href="https://www.epa.gov/system/files/documents/2022-11/BIL Anniversary Report 11142022.pdf">www.epa.gov/system/files/documents/2022-11/BIL Anniversary Report 11142022.pdf</a>.



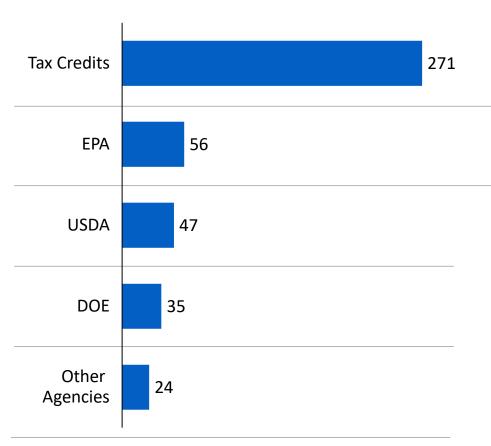
# IRA OVERVIEW

- The Inflation Reduction Act (IRA) makes historic investments in climate action that are expected to reduce U.S. emissions by ~40% by 2030, while supporting disadvantaged communities and the clean energy industrial base.
- **IRA investments will drive significant emissions reductions** over the next decade, while also laying the groundwork for long-term decarbonization in hard-to-abate sectors.
- **EPA will play a major role in delivering these programs.** The Agency received \$41.5B in appropriated funds and expects to receive an additional \$11.7B in future revenue from reinstating the Superfund Tax on oil and gas production. Funds from methane waste emissions charges will go to the general Treasury.



## IRA CLIMATE & ENERGY FUNDING BREAKDOWN

### Total Climate and Energy Funding (\$, billions)



Significant support for the electricity sector (PTC/ITC/45Q/45U), manufacturing, energy efficiency, electric vehicles, and low carbon fuels.<sup>1</sup>

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

At least 15 other agencies received appropriated funding in the legislation. USDA and DOE were the other two major recipients.

Other agencies that received over \$1B in appropriations 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)

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



## EPA PROGRAMS

**EPA received \$41.5B in appropriations** to support 24 new and existing programs. This makes EPA the second largest recipient of discretionary funding after USDA.

## Six new EPA programs account for 98% of this total funding:

- **Greenhouse Gas Reduction Fund (\$27B)** Provide capital to greenhouse gas mitigation projects not currently able to access private capital, particularly in low-income and disadvantaged communities.
- Climate Pollution Reduction Grants (\$5B) Provide grants at the state, local, and tribal level to develop plans to reduce greenhouse gas emissions and implement those plans. At least one grant will go to an eligible entity in every state.
- Environmental and Climate Justice Block Grants (\$3B) Fund community-based nonprofit organizations to support a wide range of climate and environmental justice activities.
- **Grants to Reduce Air Pollution at Ports (\$3B)** Award rebates and grants for ports to purchase and install zero-emission technology and develop climate action plans.
- Methane Emissions Reduction Program (\$1.55B) Fund grants and technical assistance to accelerate emissions reduction from petroleum and natural gas systems. Also, establish a methane waste emissions charge starting at \$900 per ton in 2024 and increasing to \$1,500 per ton by 2026.
- Clean Heavy-Duty Vehicles (\$1B) Provide grants, rebates, and contract support to replace heavy-duty vehicles with zero emission alternatives. \$400M is specifically for nonattainment areas.



## ADDITIONAL EPA PROGRAMS

National Program Office and Program	Funding (\$)
Office of Air and Radiation (OAR)	491,000,000
Funding to Address Air Pollution - Fenceline Air Monitoring and Screening Air Monitoring	235,500,000
Low Emissions Electricity Program	87,000,000
Diesel Emissions Reductions	60,000,000
Funding to Address Air Pollution at Schools	50,000,000
Funding for Implementation of the American Innovation and Manufacturing Act on HFCs	38,500,000
Funding for Section 211(o) of the Clean Air Act (Renewable Fuels)	15,000,000
GHG Corporate Reporting	5,000,000
Office of Chemical Safety and Pollution Prevention (OCSPP)	350,000,000
Environmental Product Declaration Assistance	250,000,000
Low-Embodied Carbon Labeling for Construction Materials	100,000,000
Permitting (Multiple Offices)	40,000,000
Efficient, Accurate, and Timely Permitting Reviews	40,000,000
Office of Enforcement and Compliance Assurance (OECA)	25,000,000
Funding for Enforcement Technology and Public Information	25,000,000

### **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



## RESOURCES & ENGAGEMENT OPPORTUNITIES

### **EPA Climate Change Website:**

www.epa.gov/climate-change

### **EPA Inflation Reduction Act:**

www.epa.gov/inflation-reduction-act

Request for Information – Non-Regulatory
Dockets for Public Input: <a href="www.epa.gov/air-and-radiation/inflation-reduction-act-non-regulatory-dockets-public-input">www.epa.gov/air-and-radiation/inflation-reduction-act-non-regulatory-dockets-public-input</a>

### **Greenhouse Gas Reduction Fund:**

www.epa.gov/inflation-reductionact/greenhouse-gas-reduction-fund





# QUESTIONS/COMMENTS

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