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Blog Post

Biden Administration's Energy, Environmental and Climate Policies: Week In Review

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This post summarizes noteworthy developments regarding federal energy, environmental and climate policies since our last post on this topic.

Highlights:

- Jennifer Granholm confirmed as Secretary of the U.S. Department of Energy ("DOE").
- DOE announced that clean energy industry veteran Jigar Shah will lead its Loan Programs Office ("LPO"), which has \$40 billion of existing loan and loan guarantee authority that it can utilize for clean energy projects.
- The Senate Committee on Energy and Natural Resources voted to advance Deb Haaland's nomination as secretary of the U.S. Department of Interior ("DOI").

Jennifer Granholm Confirmed as Secretary of the U.S. Department of Energy

On February 25, 2021, the U.S. Senate, by a vote of 64-35, confirmed Jennifer Granholm as Secretary of Energy. Secretary Granholm previously served two terms as Michigan's governor, from 2003 to 2011, and served as Michigan's Attorney General, from 1999 to 2003. After leaving office, she

joined the Pew Charitable Trusts' Clean Energy Program leading a national clean energy policy campaign. Most recently, Secretary Granholm was a Senior Advisor to Media Matters and American Bridge, the head of the sustainability practice at Ridge-Lane, adjunct professor of law at the University of California at Berkeley, and a contributor to CNN.

As Secretary of Energy, Granholm is expected to implement policies affecting a broad range of energy sources and technologies. Although the majority (about 75%) of the DOE budget is used to maintain the nation's nuclear weapons stockpile, DOE's scope of authority touches most aspects of the energy sector in one way or another. For example, Granholm has experience in dealing with the auto industry and manufacturing sectors, which many expect will speed up the rollout of electric vehicles and charging stations. In addition, DOE operates 17 national labs ("National Labs") that develop a variety of technologies used in the production of renewables, nuclear energy and fossil fuels. Under Granholm, we expect the DOE to leverage the current and future work of the National Labs to take it to scale and deploy it in various sectors such as electric batteries, charging stations, energy storage, wind turbines and carbon, capture, utilization and storage. Finally, DOE also implements policies that can reduce building emissions, another goal of the Biden climate plan, by setting appliance standards, researching innovative technology and overseeing energy efficiency programs.

DOE's Loan Guarantee Program To Be Reinvigorated

DOE's announcement of Jigar Shah to lead the LPO coincided with a statement by Granholm that the LPO is "[back in business](#)." Shah is a well-known figure in the clean energy industry, and prior to his appointment served as president of Generate Capital, a specialty finance company focused on the renewable energy, technology, finance and sustainability sectors, which Shah co-founded in 2014.

The LPO has existing authority for more than \$40 billion in loans and loan guarantees and manages a portfolio of more than \$30 billion of loans, loan guarantees and conditional commitments. The program was heavily utilized

during the Obama administration when most of its portfolio originated, but few loans or loan guarantees were made during the Trump presidency.

The LPO's loan authority includes loan guarantees for the U.S. manufacturing of fuel-efficient, advanced technology vehicles and qualifying components (\$17.7 billion) (the "ATVM Program"), tribal energy development (\$2 billion) (the "TELGP Program"), and renewable energy & energy efficiency (\$4.5 billion), advanced fossil energy (\$8.5 billion) and advanced nuclear energy projects (\$10.9 billion) under the Title 17 Innovative Energy Loan Guarantee Program (the "Title 17 Program"). Requirements for the ATVM Program, TELGP Program and the Title 17 Program are available [on the LPO website](#). Eligible projects for the Title 17 Program must utilize new or significantly improved technologies and avoid, reduce or sequester greenhouse gases. Qualifying fossil energy projects will be limited to those that can satisfy these criteria and will need to submit an analysis of the lifecycle greenhouse gas emissions of the proposed project.

Deb Haaland's Nomination as Secretary of the U.S. Department of Interior Advances

On March 4, the Senate Committee on Energy and Natural Resources ("ENR Committee") voted 11-9 in favor of advancing Congresswoman Deb Haaland's nomination as DOI Secretary. Congresswoman Haaland is a member of the Pueblo of Laguna who has served as U.S. Representative for New Mexico's first congressional district since 2019. If confirmed, she would be the first Native American to lead a cabinet-level department. At present, it is not clear when the full Senate will take up the congresswoman's nomination and, given the closely divided vote by the ENR Committee, Congresswoman Haaland's prospects before the full Senate remain uncertain. The ENR Committee vote largely was split along party lines, with only one Republican, Senator Lisa Murkowski, joining the Democrat members in supporting the nomination.

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