

Key Takeaways on Recent Executive Orders and Energy Policy Shifts

We want to extend our sincere thanks to the Van Ness Feldman team—Shelley Fidler, Joseph Nelson, and Lucas Agnew—for their invaluable insights during our recent webinar. Their deep expertise and thoughtful analysis helped us navigate the complex and rapidly evolving landscape of energy policy under the current administration.

As we discussed, the new wave of executive orders and policy directives has introduced significant shifts in federal priorities, impacting energy production, permitting, funding, and regulatory frameworks. These changes present both challenges and opportunities for the utility sector, state agencies, and industry stakeholders.

This summary captures the key takeaways from the webinar, highlighting the most consequential executive actions, ongoing legal challenges, and their potential implications for energy programs, funding mechanisms, and regulatory processes. Given the fast-moving nature of these developments, we encourage you to stay informed and engaged as new policies continue to take shape.

Thank you again to our speakers, attendees, and partners for making this discussion both insightful and timely. Please reach out if you have any questions or if you'd like to continue the conversation.

Now, let's dive into the key takeaways.

Overview of Executive Orders and Energy Policy Changes

The **Trump Administration has issued an unprecedented number of executive actions**, setting a fast pace for policy changes, particularly in the energy sector. These include:

- **65 executive orders**
- **10 presidential proclamations**
- **20 executive memoranda**

This marks the **highest number of executive actions in the first 100 days of any presidency since FDR**, with a strong focus on deregulation, domestic energy production, and shifting federal priorities away from climate-driven policies.

The **main energy-related executive orders (EOs)** issued so far include:

Unleashing American Energy EO

- Establishes **energy dominance** as a national security priority, promoting traditional energy production such as coal, oil, natural gas, and nuclear power.

- Directs federal agencies to **review and remove barriers to fossil fuel production**.
- Rolls back previous **Biden Administration regulations**, including those related to environmental reviews and carbon reduction strategies.
- Revokes previous executive orders tied to **clean energy, climate action, and environmental justice**.

Federal Funding Freeze

- Ordered an **immediate pause on disbursements of funds** under the **Inflation Reduction Act (IRA) and Infrastructure Investment and Jobs Act (IIJA)**.
- Applied to **both new and previously awarded funds**, including contracts already in place.
- Intended as a review mechanism but was **legally challenged and temporarily blocked** by multiple court rulings.
- The administration argues the freeze is necessary to **align spending with new priorities**, but its broad scope has created uncertainty for federally funded clean energy and infrastructure projects.

National Energy Emergency Declaration

- Declares an energy emergency due to **“insufficient energy production,”** unlocking additional presidential authority under the National Emergencies Act.
- Directs agencies to use **any available emergency powers** to fast-track approvals for domestic energy production and infrastructure.
- Prioritizes oil, gas, nuclear, and coal projects while **excluding wind and solar energy** from the emergency response.

Wind Energy Restrictions

- Orders a **halt on new offshore and onshore wind energy leases**.
- Directs the Department of the Interior to review whether existing wind leases can be **revoked or modified**.
- Justifies the freeze by citing **economic and environmental concerns** related to wind development.
- No clear timeline for completion of the review, creating **uncertainty for wind energy projects** currently in the pipeline.

Alaska Resource Development

- Prioritizes **energy production in Alaska**, citing the state’s vast untapped natural resources.
- Expands federal leasing for oil, gas, and mining operations, while **reducing environmental permitting requirements**.

- Emphasizes **energy independence** and strategic resource extraction in federally controlled lands.

Legal Challenges & Uncertainty

- Several executive orders and actions have faced **immediate legal challenges**, particularly those that **halt funding and roll back regulations**.

Federal Funding Freeze Lawsuits

- Multiple lawsuits (including one led by **22 states**) argue that the **OMB's broad freeze on federal grants violates the Impoundment Control Act**.
- Courts have issued **temporary restraining orders (TROs)** blocking the freeze, forcing agencies to resume funding.
- Despite this, **the administration may attempt alternative methods** to limit funding disbursement.

Challenges to Wind Energy Restrictions

- Lawsuits are expected from **renewable energy developers** challenging the **pause on wind leasing and permitting**.
- The administration's claim that **wind projects were improperly approved** under previous regulations will face **scrutiny in federal court**.

Regulatory Authority Under Scrutiny

- Recent Supreme Court rulings, such as **Loper Bright Enterprises v. Raimondo** and **West Virginia v. EPA**, limit executive agencies' ability to expand regulatory power without **explicit congressional approval**.
- This raises questions about the **long-term viability of the administration's executive orders** and whether agencies will be **forced to justify major policy shifts in court**.

Impacts on Utilities and the Energy Industry

- The energy sector is experiencing **significant uncertainty** as agencies determine how to implement these executive orders. Key impacts include:

Potential Cuts to Clean Energy Programs

- **Programs linked to climate action, environmental justice, and decarbonization are under review.**
 - This includes federal incentives for **energy efficiency, EV infrastructure, and renewable energy projects**.

- **Critical funding sources such as IRA grants and tax credits may be altered.**
- The administration is reviewing whether some programs **can be repealed through executive action or if congressional approval is required.**

Permitting Changes

- The administration **aims to accelerate permitting for traditional energy projects, including LNG terminals, coal plants, and nuclear reactors.**
- **Rollbacks of Biden-era environmental policies may weaken permitting reviews under NEPA (National Environmental Policy Act).**
- Utilities may see **faster approvals for transmission and fossil fuel projects, but renewables could face increased scrutiny.**

State-Federal Conflicts

- Some states, especially **California and New York, may resist deregulation efforts** and maintain strict emissions and renewable energy mandates.
- **State-run efficiency programs and grid modernization projects** could face indirect funding cuts.
- Potential **legal battles between states and the federal government** over energy regulations and emissions standards.

Shifting Priorities and Language

- The administration's **rhetoric and framing of energy policy** have shifted significantly:
- **"Energy security" and "energy independence" are now primary justifications** for federal action.
- **Climate change, decarbonization, and environmental justice** are being **actively removed from federal agency mandates.**
- Programs that **previously focused on disadvantaged communities** are under review.
- **Utilities and energy companies will need to reframe projects** using terms like:
 - **"Resilience," "affordability," and "national security"** instead of **"climate goals"**.
 - **"Firm, dispatchable power"** instead of **"renewable energy expansion."**

What to Watch Going Forward

The **next phase of policy implementation will be driven by agency actions**, including:

- **New Secretarial Orders:**
 - These orders will provide **detailed instructions on how agencies implement the executive orders.**

- Watch out for updates from the **DOE, FERC, and EPA**.
- **Congressional Action:**
 - Republican lawmakers are working on legislation to **repeal portions of the IRA**, including certain **renewable energy tax credits**.
 - Reconciliation may allow them to **reduce funding without Democratic support**.
- **State Actions & Legal Challenges:**
 - Democratic-led states will **fight rollbacks of climate regulations and efficiency programs**.
 - Expect **state lawsuits against federal agencies** enforcing deregulation.
- **Agency Personnel Cuts:**
 - The administration is **reducing federal staffing**, which could slow down permitting, regulatory processes, and enforcement.
 - Some **DOE and EPA career staff have already been removed**.

Key Takeaways for Industry & Utilities

- **Opportunities exist, but messaging must align with new priorities:**
 - **Grid reliability and resilience** projects may remain **fundable**.
 - **Decarbonization efforts should be framed as energy security initiatives**.
- **Engage strategically with policymakers:**
 - **State-level advocacy will be critical**, as many policies will **face challenges at the state level**.
 - Industry groups and utilities should **actively participate in regulatory discussions**.
- **Stay vigilant and adaptable:**
 - **Policy changes are happening rapidly**, and **new agency orders could reshape funding availability**.
 - **Monitor legal rulings and congressional action closely** to anticipate shifts.

Final Thoughts

While the policy landscape is shifting dramatically, there are still pathways for utilities and energy companies to navigate funding and regulatory opportunities. By adapting messaging, engaging strategically with policymakers, and monitoring legal developments, industry players can position themselves effectively in this changing environment.