

TRUMP'S FIRST DAY: PRESIDENTIAL STATEMENT AND EXECUTIVE ORDERS IMPACTING THE ENERGY AND ENVIRONMENTAL SECTORS

On January 20, 2025, the first day of his second term, President Trump issued a Presidential Statement highlighting his administration's key priorities and signed 26 Executive Orders. The Presidential Statement outlines the Trump Administration's priorities, emphasizing a focus on domestic energy resources to "make America affordable and energy dominant again." This involves shifting away from the previous administration's policies, which took a more global approach to renewable energy, climate change, and vehicle emissions. The 26 Executive Orders signed on January 20th covered a range of topics, including immigration, the federal workforce, healthcare, taxation, and national security, with several aimed at overturning the Biden Administration's energy and environmental-focused policies.

This briefing provides a high-level overview of the energy and environmentalrelated priorities identified in the Presidential Statement and certain of the January 20th Executive Orders that are expected to have significant impacts on the energy and environmental sectors. We will provide more in-depth analysis as these initiatives develop.

"AMERICA FIRST PRIORITIES" PRESIDENTIAL STATEMENT IDENTIFIES CERTAIN OF THE TRUMP ADMINISTRATION'S ENERGY AND ENVIRONMENTAL PRIORITIES

President Trump's "America First Priorities" Presidential Statement¹ summarizes some of the Trump Administration's key priorities, including the priority to "make America affordable and energy dominant again." One of the goals set out by the Trump Administration in furtherance of this priority is to "unleash" American energy by declaring an "energy emergency," ending the Biden Administration's policies on climate change, streamlining permitting for energy projects, and reviewing for rescission all regulations that impose "undue burdens" on energy production and use, including mining and the processing of non-fuel minerals. Additionally, the Trump Administration notes its plans to cease leasing federal land to wind farms and withdraw from the Paris Agreement. These priorities largely align with the executive actions discussed further below.

¹ <u>https://www.whitehouse.gov/briefings-statements/2025/01/president-trumps-america-first-priorities/</u>.

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EXECUTIVE ORDERS IMPACTING THE ENERGY AND THE ENVIRONMENTAL SECTORS

Initial Rescissions of Harmful Executive Orders and Actions

This Executive Order² rescinds approximately 67 Executive Orders and 10 Presidential Memoranda from the Biden Administration, most of which involve policies impacting US energy use and development and greenhouse gas emissions. Some of the most significant recissions impacting the energy and environmental sectors include:

- Executive Order 14008, Tackling the Climate Crisis at Home and Abroad, which implemented the Paris Agreement's objectives (a safe global temperature, increased climate resilience, and financial flows aligned with a pathway toward low greenhouse gas emissions and climate-resilient development);
- Executive Order 14037, Strengthening American Leadership in Clean Cars and Trucks, which required the US Environmental Protection Agency ("USEPA") and the US Department of Transportation to establish more stringent multi-pollutant emission standards;
- Executive Order 14052, Implementation of the Infrastructure Investment and Jobs Act, and Executive Order 14082, Implementation of the Energy and Infrastructure Provisions of the Inflation Reduction Act of 2022, which dictated implementation priorities for the Infrastructure Investment and Jobs Act ("IIJA") and the Inflation Reduction Act ("IRA");
- Executive Order 14057, Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability, which affirmed the policy of a carbon pollution-free electricity sector by 2035 and a net-zero emissions economy by 2050; and
- The Presidential Memoranda of March 13, 2023 and January 6, 2025, which withdrew certain areas of the US outer continental shelf, including in the arctic, from oil or natural gas leasing.

Unleashing American Energy

The "Unleashing American Energy" Executive Order³ outlines several domestic policies aimed at encouraging energy exploration and production in the US through the reduction of energy and climate-related regulatory requirements. These policies include goals of establishing the US as the leading processor of rare earth minerals and eliminating the electric vehicle "mandate" by removing state emissions waivers. Key provisions of this Executive Order include:

- Identification and, where allowed under law, alteration or rescission of "burdensome" agency regulations governing energy and non-fuel mineral exploration and development;
- Pausing the disbursement of funds appropriated through the IRA and IIJA, including but not limited to funding for the National Vehicle Infrastructure Formula Program and EV charging stations;

² https://www.whitehouse.gov/presidential-actions/2025/01/initial-rescissions-of-harmful-executive-orders-and-actions/.

³ https://www.whitehouse.gov/presidential-actions/2025/01/unleashing-american-energy/.

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- Elimination of permitting delays, with the Trump Administration concurrently working with Congress to facilitate the permitting and construction of energy infrastructure, including pipelines, by streamlining judicial review processes;
- Revocation of Biden Administration Executive Orders and programs related to climate change and clean energy, including the Biden Administration's recission of the Keystone Pipeline permit and targets for zero-emission vehicles;
- Revocation of Executive Order 11991, which required the Council on Environmental Quality to implement the regulations of the National Environmental Policy Act, including the provisions related to the preparation of environmental impact statements;
- Resuming review and licensing for liquefied natural gas export projects; and
- Reconsideration of USEPA's "social cost of carbon" calculation in federal permitting and regulatory decisions.

Declaring a National Energy Emergency

President Trump declared a national energy emergency,⁴ stating "[t]he [US's] insufficient energy production, transportation, refining, and generation constitutes an unusual and extraordinary threat to our Nation's economy, national security, and foreign policy." The "Declaring a National Energy Emergency" Executive Order requires federal agencies to:

- Exercise any emergency authority available to facilitate the identification, leasing, siting, production, transportation, refining, and generation of domestic energy resources, including on federal lands, and expedite the completion of all authorized infrastructure, energy, environmental, and natural resource projects;
- Identify potential actions that may be subject to emergency treatment pursuant to the regulations and nationwide permits promulgated by the US Army Corps of Engineers ("USACE"), or jointly by USACE and USEPA;
- Consider the issuance of emergency fuel waivers allowing for year-round sale of E15 gasoline to meet gasoline shortfalls;
- Identify potential actions that may be subject to the emergency consultations regulations under the Endangered Species Act and use such emergency consultations where applicable; and
- Assess the US Department of Defense's ability to acquire and transport energy, electricity, and fuels domestically or abroad, with identification of specific vulnerabilities, including potentially insufficient transportation and refining infrastructure across the nation.

Putting America First in International Environmental Agreements

This "Putting America First in International Environmental Agreements" Executive Order⁵ purports "to put the American people first in the development and negotiation of any international agreements with the potential to damage

⁴ <u>https://www.whitehouse.gov/presidential-actions/2025/01/declaring-a-national-energy-emergency/.</u>

⁵ https://www.whitehouse.gov/presidential-actions/2025/01/putting-america-first-in-international-environmental-agreements/.

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or stifle the American economy." The policies expressed in this Executive Order reflect the Trump Administration's position that the US can achieve both economic growth and environmental protection through market-driven approaches that avoid restricting private sector activities. The Executive Order directs the US Ambassador to the United Nations to:

- Submit formal written notification of US withdrawal from the Paris Agreement and from any other agreement, pact, accord, or similar commitment made under the United Nations Framework Convention on Climate Change; and
- Cease or revoke any financial commitment made by the US under the United Nations Framework Convention on Climate Change and rescind the US International Climate Finance Plan.

Temporary Withdrawal of All Areas on the Outer Continental Shelf from Offshore Wind Leasing and Review of the Federal Government's Leasing and Permitting Practices for Wind Projects

This Executive Order⁶ temporarily withdraws all areas of the outer continental shelf from new or renewed offshore wind leasing and also includes a review of the federal government's leasing and permitting process for existing wind projects. Key provisions of this Executive Order include:

- Withdrawal of all areas within the outer continental shelf from disposition for wind energy leasing as of January 20th, 2025, including a prevention of consideration of any area in the outer continental shelf for new or renewed wind energy leasing for the purpose of generation of electricity;
- Requirement that the Secretary of the Interior review all existing wind energy leases and identification of any legal bases for removal or recission;
- Prohibition on new or renewed approvals, rights of way, permits, leases, or loans for onshore or offshore wind projects pending the completion of a comprehensive assessment and review of federal wind leasing and permitting practices, including consideration of the environmental impact of onshore and offshore wind projects on wildlife and economic costs associated with the wind industry;
- Review of the record of decision and environmental impacts related to the Lava Ridge Wind Project, alongside a temporary moratorium on all activities contemplated by the record of decision; and
- Assessment of the environmental impact and cost to surrounding communities of defunct and idle windmills [wind turbines], with reporting on findings and consideration of the removal of such windmills.

Unleashing Alaska's Extraordinary Resource Potential

The "Unleashing Alaska's Extraordinary Resource Potential" Executive Order⁷ establishes a policy to fully utilize Alaska's natural resources, including energy, minerals, timber, and seafood, by "immediately revers[ing] the punitive restrictions" implemented by the Biden Administration. The policies discussed

⁶ <u>https://www.whitehouse.gov/presidential-actions/2025/01/temporary-withdrawal-of-all-areas-on-the-outer-continental-shelf-from-offshore-wind-leasing-and-review-of-the-federal-governments-leasing-and-permitting-practices-for-wind-projects/.</u>

⁷ https://www.whitehouse.gov/presidential-actions/2025/01/unleashing-alaskas-extraordinary-resource-potential/.

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in this Executive Order generally align with a list of priorities submitted by Alaska Governor Mike Dunleavy shortly after President Trump's election.⁸ The Executive Order requires all heads of executive departments and agencies to:

- Rescind or revise restrictions, policies, and environmental reviews implemented since January 2021 that limit natural resource development on federal and state lands in Alaska, including the Arctic National Wildlife Refuge; and
- Expedite the permitting, leasing, and development of energy and infrastructure projects for Alaska's natural resources, particularly its liquefied natural gas industry and the Trans-Alaska Pipeline System.

CONCLUSION

The Executive Orders signed on January 20, 2025 appear to be the Trump Administration's initial steps toward shifting the US energy production and development landscape toward a primary focus on oil, gas, nuclear and mineral energy resources. As promised during his campaign, President Trump is also taking a clear step away from the Biden Administration's focus on climate change initiatives and global and domestic greenhouse gas emissions. The Trump Administration has stated that "[t]he revocations within [these] order[s] will be the first of many steps the United States Federal Government will take to repair [America's] institutions and [the] economy."⁹ As such, these Executive Orders are the first in what we expect will be a wave of environmental and energy-related actions by the administration.

To date, the legal challenges to the President's initial Executive Orders have not targeted the energy and environmental-focused actions that are summarized herein. As the implications of these actions solidify, through the announcement of more concrete policy actions, we anticipate that companies, states, NGOs, and other stakeholders will assess the effects of those actions on their interests and investments and take steps to manage risk appropriately and protect those interests and investments through further action, including litigation.

Similar actions expected in the future include further deregulation of the energy and environmental sectors and the recission of most climate-related commitments and initiatives of the Biden Administration. These rollbacks create, among other things, uncertainty surrounding federal funding sources for renewable energy project development, including under the IRA. It remains to be seen how US actions will impact global climate policy advancement and participation.

We will provide more in-depth analysis on these, and other actions impacting the energy and environmental sectors, as these initiatives develop.

C L I F F O R D C H A N C E

This publication does not necessarily deal with every important topic or cover every aspect of the topics with which it deals. It is not designed to provide legal or other advice.

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⁸ See <u>https://apnews.com/article/alaska-governor-dunleavy-trump-arctic-refuge-a9cc44a5f80489d89579ef68a0f5af01</u>.

⁹ https://www.whitehouse.gov/presidential-actions/2025/01/initial-rescissions-of-harmful-executive-orders-and-actions/.

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