

On the Grid: 9 Questions for 2023 1/06/23

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Happy New Year! This past year was pivotal for clean energy policy, securing three major legislative wins and delivering more than half a trillion dollars that will help build out a competitive American clean energy economy. Now, as we enter a new year, and a new Congress (once we have a Speaker), with a big lift behind us, what's next? The answer is a lot.

In this week's *On the Grid*, we'll unpack 9 questions we're wrestling with, and as the year progresses, you'll hear what our team is doing to address them. Think we missed something? Let us know!

1. Can the House Function?

As we've all seen this week—twelve times over (at the time of publication)—Republicans have struggled to unite. On his quest for speakership, Kevin McCarthy has made serious concessions to his most extreme members, caving into rule changes that will impact everything from the appropriations process to how bills come to the floor. The paralysis over this past week has set a grim tone for the next two years on policymakers' ability to find common ground and work for Americans. We have an idea of what's on the horizon; the most extreme members of the House Republican caucus have not been shy about their disdain for last summer's historic climate legislation. Even while many state and local Republican officials are embracing clean energy, the far-Right in the House have made it abundantly clear that they will leverage their new-found majority to launch a slew of investigations, hearings, and inquiries that will bottleneck key programs, slow agency rulemaking, and delay our transition to cleaner and more reliable energy.

2. Can the US Build Everything (Clean) Now?

If we want to meet our climate goals by 2050 and take full advantage of the immense emissions reduction potential of the Inflation Reduction Act, then we *must* deploy clean energy transmission at a much faster pace. But as the Senate shut the door on Senator Manchin's last attempt to streamline the arduous permitting process blocking clean projects at the end of last year, the future of permitting reform remains unclear. It remains an open question whether there is a path through Congress in 2023-24 or if the Administration has sufficient authority to address permitting roadblocks.

3. Can We Finance a Global Clean Buildout?

In order to make significant cuts to global emissions and make clean energy transitions more affordable for emerging economies, more American clean energy technologies and expertise must be deployed overseas. But doing so, economically and at the scale we need, requires significant support from financial institutions like the International Development Finance Corporation and the Export-Import Bank, something the UN warns they are falling short on. With limited funding available, the ability of nations to deploy clean energy technologies quickly and within a short time frame remains a significant challenge.

4. Is the Supply Chain Our Weakest Link?

As COVID restrictions ease around the world and demand for clean technologies continues to rise amid global transitions, added pressure is likely to strain already hampered supply chains. While the incentives in legislation like the CHIPS and Science and Inflation Reduction Acts will start to chip away at some of these frozen supply chains, it is unlikely to be enough to keep pace with demand.

5. If We Build It, Will They Come?

Investing in clean energy technologies is poised to create millions of jobs. But to truly jumpstart the American clean energy economy, we must ensure that we have a qualified and trained workforce. The majority (89%) of American solar companies have struggled with hiring individuals with the right training, experience, and technical skills, a challenge that will only grow as we commercialize and deploy emerging technologies. This year, we're working closely with Third Way's Economic Policy Program to glean how we can best support the workforce development training and reskilling needed to shepherd a clean energy future.

6. Can the NRC Work Effectively and Efficiently?

The Nuclear Regulatory Commission (NRC) is working to modernize its nuclear licensing framework to more efficiently license, deploy, and commercialize the next generation of nuclear reactors. But the NRC's drafted proposal is just the opposite, stuck somewhere between the same old rules and a new, even more, rigid framework. It's clear that Congress and the Biden Administration understand that hampering the deployment of nuclear energy is both a national security and an economic issue. The question is, does the NRC see it as such, or are they willfully ignoring a Congressional mandate?

7. Redefining Our Relationship with China?

The relationship between the US and China is uniquely strained due to the increasingly authoritarian posture of President Xi Jinping. In response, President Biden has taken action to reduce US tech's reliance on China and the House Republicans have announced their intention to create a new Select Committee on China to investigate the Chinese Communist Party (CCP). While President Biden has more recently engaged directly with President Xi, and Special Presidential Envoy for Climate John Kerry is talking with his Chinese counterparts, it is an open question how these issues, and broader strains between the US, EU, and China, may or may not fracture cooperation on climate and clean energy deployment in 2023 and beyond.

8. Will Countries Get Serious About Climate Targets?

A major report from the UN at the end of last year showcased that despite best efforts, most countries are falling behind on their climate and clean energy targets. The rising cost of energy in Europe, broader inflation, and Russia's invasion of Ukraine have exacerbated these challenges on both sides of the Atlantic. Many European Member States have found themselves needing to revise their National Energy and Climate Plans (NECP) in 2023. The US's new and massive investments in clean energy could spur cooperation or new trade wars. The European energy crisis could result in a longer life for coal or an energy transformation. We're looking for ways to expand transatlantic commercial diplomacy to accelerate the move to clean energy and development in 2023 of NECPs that are affordable and attainable.

9. Shifting Perception?

The past two years have delivered a stack of bills, executive orders, and standards that will make deep emissions cuts a top priority. But decarbonization doesn't end by installing renewables and swapping gas vehicles for electric ones. We have to continue to build support for a clean energy transition by addressing everyday concerns. Is this the year policymakers get serious about meeting workers who are worried about their jobs, energy costs, and economic viability of their communities, where they are and communicating the benefits of these investments in ways that resonate with people who live in industrial and fossil fuel communities?



- [Chirag Lala](#), in *Center for Public Enterprise*, outlines the importance of growing transmission capacity and builds a case for prioritizing transmission reform in future permitting bills to ensure that renewable energy, not fossil fuels, reap the benefits of a streamlined permitting process.
- [Nathaniel Taplin](#), in *the Wall Street Journal*, unpacks how strengthening supply chains and cutting foreign dependence is critical to both our emissions and security but comes with a heavy upfront price tag.
- [Josh Siegel and Doug Palmer](#) on *Politico Energy* discuss the US Treasury Department's latest rule on how it intends to implement the Inflation Reduction Act's electric vehicle tax credit and the flexibility it has awarded around the "Made In America" domestic production requirement.

JOIN OUR TEAM

The clean energy policy conversation is expanding...and so are we! The Climate and Energy Program is looking for people with talent and a passion for climate solutions to fill two new roles on our team. If you've got anyone in your mental Rolodex who you think might be a fit, please send them our way. And if you wanted to circulate these job postings more broadly with your networks, we wouldn't mind that either!

Deputy Director of Development: This person will cultivate and steward relationships with individual and philanthropic donors as well as set and oversee the execution of the development strategy for the Climate & Energy Program to maintain and grow our individual donors and foundation fundraising, working with the Senior Vice President for Climate, Third Way's development, and the Climate policy and Communications teams. This person will oversee the Development Advisor, who manages institutional philanthropic giving and grant accounts manager's fulfillment of all relevant grants. *Our ideal candidate will have 5+ years of energy policy experience and experience managing staff.*

ON SOCIAL

Want to catch up on our work last year before diving into everything we're excited for this year? Check out this [thread](#) from Third Way's [Climate and Energy Program](#).



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Top Products

- 1 When America Leads: Competing for the Future of Clean Energy
- 2 Picture It: Carbon Management Across America
- 3 Making the US the World's Arsenal of Clean Energy
- 4 Revitalizing America's Nuclear Energy Supply Chain
- 5 Buy Clean Offers Real Benefits for US Manufacturers and Climate Efforts

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