NEWSLETTER *Published February 20, 2026 · 6 minute read*

On the Grid: Endangering Endangerment

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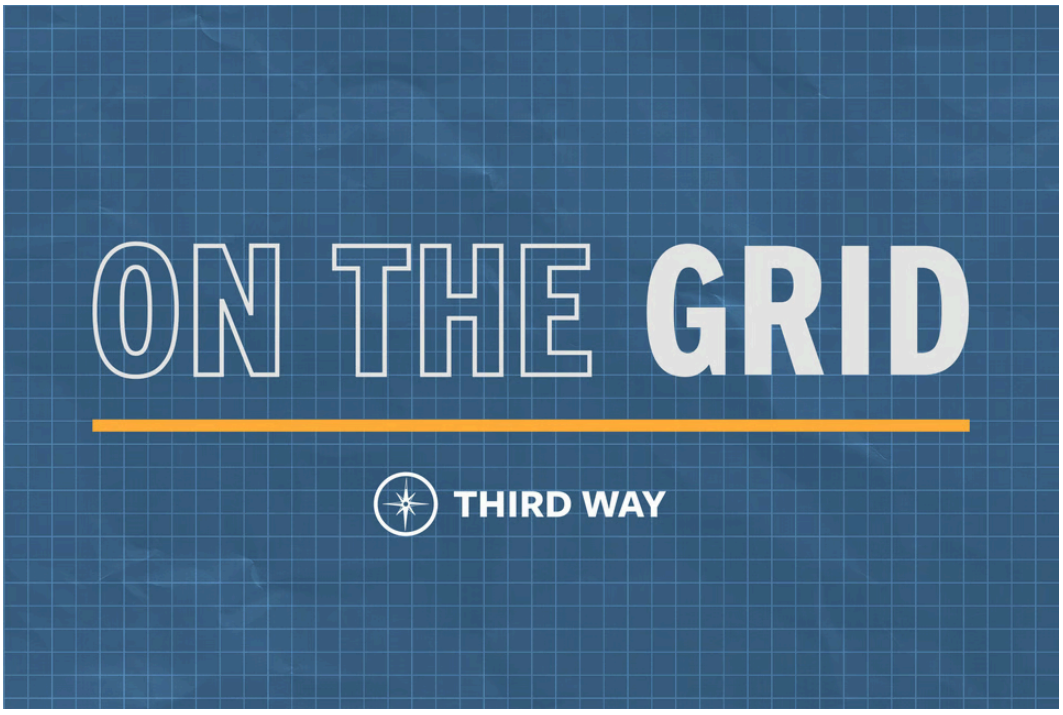
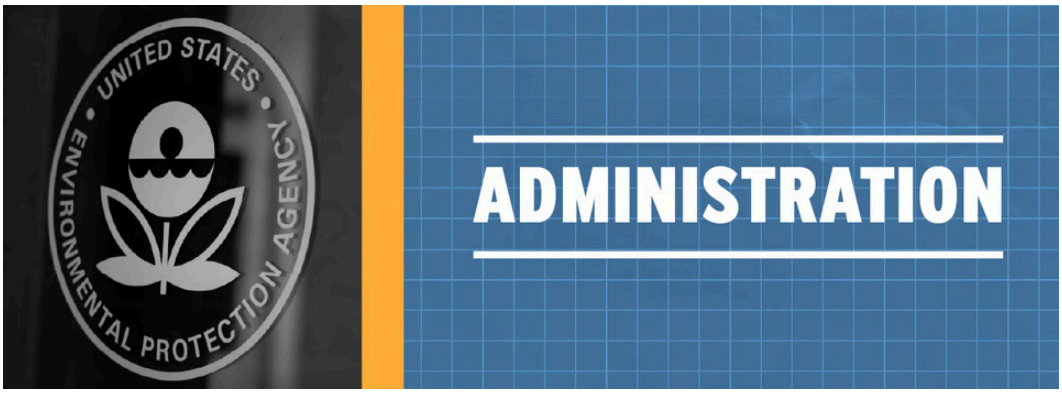


Hi Friend!

Welcome back to *On the Grid*, Third Way's bi-weekly newsletter, where we'll recap how we're working to deploy every clean energy technology as quickly and affordably as possible.

We're excited to have you join us!



The Environmental Protection Agency (EPA) repealed the federal "endangerment finding", the legal determination that greenhouse gases put public health and welfare at risk. Since 2009, the endangerment finding has been the foundation of federal climate policy, supporting vehicle and power plant emissions standards under the Clean Air Act and influencing everything from industrial rules to federal procurement.

Environmental and public health groups have already filed challenges to EPA's ruling, setting up a legal fight that is expected to reach the Supreme Court. If the Court ultimately upholds the repeal, or even goes further and restricts future administrations from issuing *any* new endangerment finding, the federal government's ability to regulate greenhouse gas emissions could be effectively shut down for the foreseeable future.

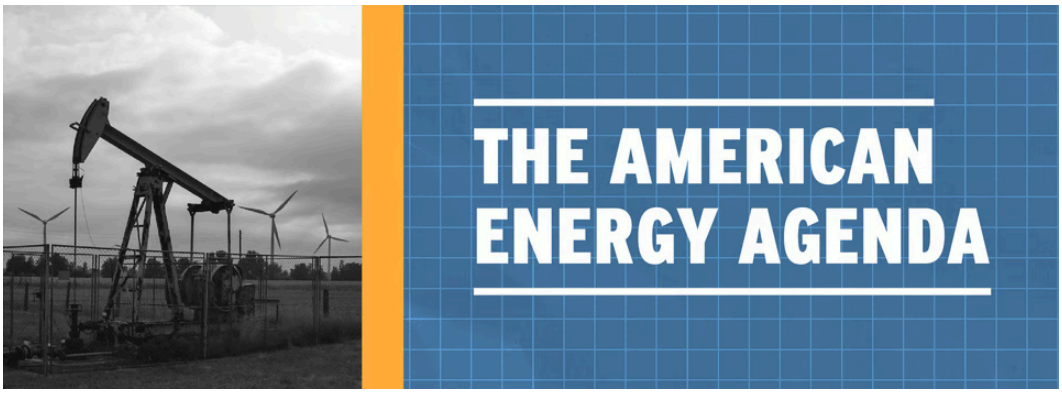
More Chaos Than Clarity: The Trump Administration has been pitching this move as a bold stroke of deregulation that will unleash fossil fuel production, slash red tape, and deliver big wins for business. But stripping away the legal backbone of federal climate policy is not the pro-business move the administration says it is. If anything, it's political theater dressed up as economic strategy. If federal authority weakens or disappears entirely, states will step up to regulate vehicles, power plants, and heavy industry on their own. The result is a patchwork of state-level standards and legal challenges that companies operating at the national level must navigate.

This is far from the outcome that industry wanted. Even the American Petroleum Institute—*yes, the oil and gas lobby*—supports some federal guardrails on emissions, including methane rules, to avoid a maze of conflicting state policies. Companies that invest billions in long-term infrastructure don't want to operate under regulatory roulette; they want predictability. The Trump administration is not delivering the stability businesses need. And when regulatory chaos drives up business costs, those costs will be passed to consumers.

What We're Doing:. Any energy or climate policy built solely on agency rulemaking is vulnerable to shifting political currents, and we need to start treating them as such. Looking ahead, durable energy policy must 1) be grounded in legislation, not just regulation, and 2) have a diverse base of political support, not narrow coalitions.

As Josh Freed, Senior Vice President of Third Way's Clean Energy Program, noted in *Axios* this week, this repeal does "point to the risk of basing sweeping and really important policy on fragile foundations."

We can't afford any more fragile foundations. That's why, as we look to energy policy over the rest of this administration and beyond, our team is focused on advancing energy policies that are economically smart, publicly supported, and legislatively durable.



There's a persistent belief in Washington that when it comes to energy, more production is always the answer. If domestic electricity demand is rising, build more gas plants. If allies are exposed to geopolitical risk, export more natural gas. Embedded in that logic is the assumption that supply alone determines competitiveness in global markets.

And to be clear, expanding energy supply does matter. When demand rises, and supply can't keep up, prices go up—*that's how basic markets work.* But volume itself isn't a strategy. What kind of supply we add, how quickly it can come online, and how it fits into global markets

all shape whether it actually lowers costs and strengthens American competitiveness. And right now, the global liquefied natural gas (LNG) market is evolving in ways that complicate the "just produce more" assumption.

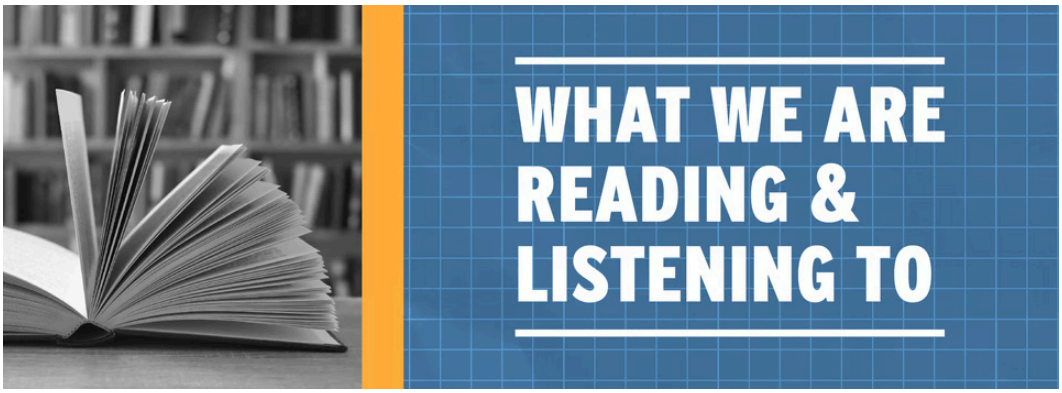
What's Going On: Countries that import American LNG, particularly those in Europe and Asia, are building regulatory frameworks that prioritize lower methane intensity, reduced lifecycle emissions, and verified data across the supply chain. The European Union has adopted new methane regulations that require companies to measure, report, and reduce methane emissions not only within Europe but also across their imported supply chains. Other major LNG importers, including Japan and South Korea, have co-launched initiatives to improve emissions transparency and are exploring similarly stringent standards. And 111 countries have signed onto the Global Methane Pledge, committing to reduce global methane emissions at least 30 percent below 2020 levels by 2030. While some of these frameworks remain voluntary for now, they represent a clear market signal from some of the largest buyers of American LNG, including a majority of the countries that imported US LNG last year, that cleaner gas is becoming the expectation rather than the exception.

Why This Matters: American natural gas is already relatively low in methane intensity compared to many global competitors, which sets the US in a strong position to compete. However, the Trump Administration is moving to relax methane standards and scale back federal programs for collecting emissions data. This approach treats methane oversight as a purely domestic compliance issue instead of a determinant of export competitiveness. Weakening standards does not shield American producers from global scrutiny; it risks leaving them less prepared to meet their customers' requirements.

What We're Doing: The debate over LNG and methane is not fundamentally about whether the United States will continue to produce and export natural gas—*it almost certainly will*. The more consequential question is whether policymakers recognize that long-term access to global markets will depend on demonstrable emissions performance and credible data. Reducing methane emissions is relatively easy and cost-effective. The technology to detect and repair leaks is widely available, and much of the industry has supported pragmatic incentives for methane reduction because capturing lost gas is economically smart.

Our newest memo outlines a pathway to strengthen American LNG's competitive position by pairing voluntary methane-reduction incentives with robust programs to collect and aggregate emissions data. By reinforcing transparency and supporting cost-effective mitigation, the US can ensure that American LNG is attractive to buyers operating under tightening standards. We are working to make sure decision-makers on both sides of the aisle understand what is at stake.

Energy policy is being pulled in a dozen different directions, both at home and abroad. Over the past year, our team has been focused on turning that turbulence into durable progress. Our new Impact Report details what we've worked on this past year, what we accomplished, and how we're positioning for the year ahead.



- Carolyn Kissane, in *Foreign Affairs,* argues that while the US has focused on expanding oil and gas production, China has invested heavily in clean technology, critical minerals, and manufacturing capacity, gaining a structural advantage in global energy markets.
- Rhodium Group, in their newest update of the Clean Investment Monitor, reports that US clean energy and transportation investment reached $278 billion in 2025, the highest annual total on record, even as quarterly investment slowed in the last quarter.
- Bridget van Dorsten, on Wood Mackenzie's *Interchange Recharged* podcast, chats with Chris Seiple, Vice President of Power and Renewables at Wood Mackenzie, about how utilities, developers, and policymakers are navigating surging energy demand and a fast-paced energy market.