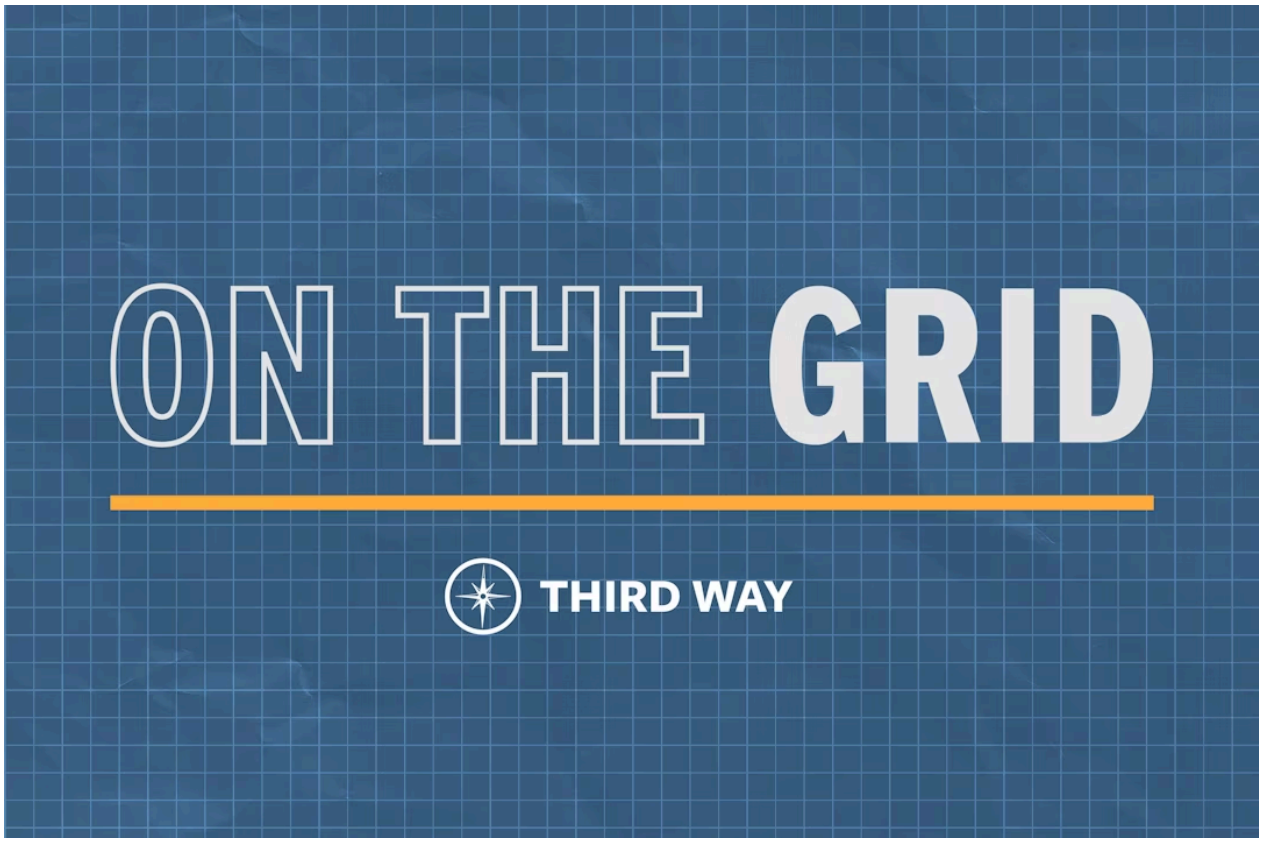
THIRD WAY

NEWSLETTER *Published February 21, 2025 • 6 minute read*

On the Grid: Energy Unleashed, Unregulated, Unhinged 02/21/25



Mary Sagatelova, *Senior Advocacy Advisor*

Click HERE to subscribe to this bi-weekly newsletter.

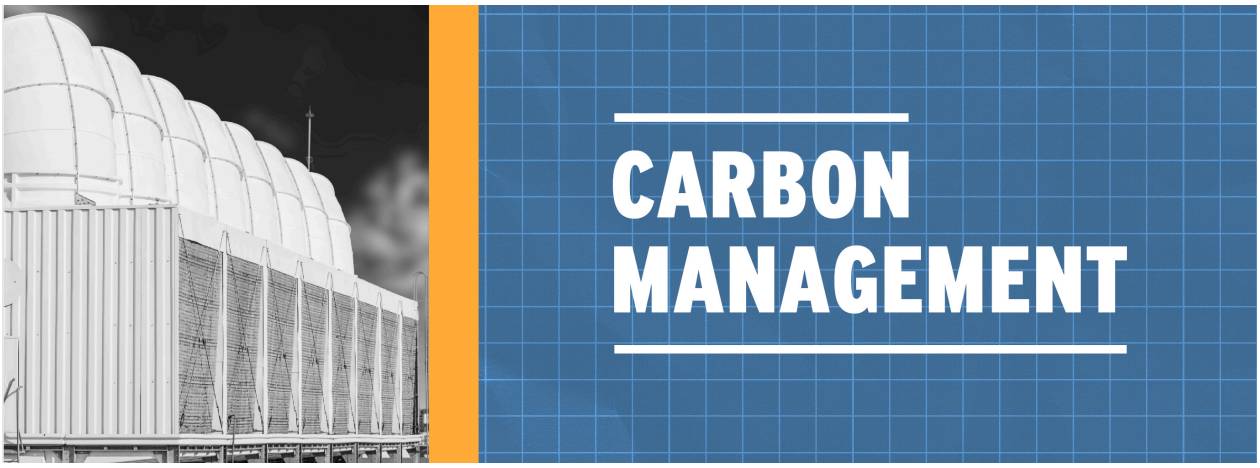
Welcome back to *On the Grid*, Third Way's bi-weekly newsletter, where we'll recap how we're working to deploy every clean energy technology as quickly and affordably as possible. We're excited to have you join us!

This week, the Trump Administration issued an executive order rolling back the Council on Environmental Quality's (CEQ) ability to regulate the National Environmental Policy Act (NEPA). On the surface, NEPA's process serves a valuable purpose, but it is often abused or interpreted in ways that delay or kill critically needed infrastructure projects. Reform is needed, but how NEPA implementation is changed is critically important. In this case, the devil isn't in the details, it's in the overall intent. Instead of streamlining processes and making it easier for companies and developers to navigate regulations, shifting CEQ's role from enforcing binding regulations to providing non-binding guidance only creates more chaos. Here's why:

- ***Short-Term Chaos:*** When it works, CEQ creates a coherent, single voice for project developers to engage on navigating NEPA. This can and should be dramatically improved to reduce delays, but the way the Trump Administration is going about it will only create delays and legal challenges. Developers and agencies will be spending months, if not longer, trying to figure out which framework ultimately applies, how agency-specific rules are impacted, and what to do when agency rulings conflict with each other.

- ***Long-Term Uncertainty:*** Should Trump's changes stand, there will no longer be any lead federal agency to go to for project development. Instead, every other federal agency will be on its own, interpreting the law as they determine. This means different permitting timelines, varying standards, and conflicting requirements across agencies. With no clear, stable set of environmental review rules, investors and developers will find it difficult to plan and implement long-term projects.

What We're Doing: We need significant permitting reform, and we would be thrilled if it was done swiftly and efficiently. Our concern here is that the Administration's actions won't fix what's wrong with NEPA. Instead, it will only add delays, confusion, and risk to businesses trying to build clean energy infrastructure. Our team is analyzing the barriers standing in the way of fast, clean energy deployment so that we can get rid of the permitting and regulatory issues that make projects so costly and take too damn long to build. You can read the first stage of our analysis here.



Carbon dioxide removal (CDR) technologies are critical for cutting emissions. But projects are already challenging enough to get off the ground and only made more so by NIMBY-ism and local opposition. If the people living and working in these regions don't see the value of carbon management projects, these technologies won't be built. Community engagement can speed project deployment and boost success rates, but it has to be done right. And that takes practice.

What We're Doing: To help developers build stronger community engagement practices, our team brought a group of fourteen Black women community leaders on a trip to Canadian CDR sites last year. The group was interviewed before, during, and after their trip, and we used the results of our conversations to shape a set of best practices for community engagement in the CDR space. You can read our full results and helpful insights here, but here are two key insights:

- ***Showcase Local Impact:*** Support for CDR grew as participants learned more about the technology, with an overwhelming majority becoming supportive or neutral about hosting it in their own communities. Reducing local pollution emerged as a top motivator to support CDR projects, followed by job creation and labor training. For participants, the environmental benefits *where they live* mattered more than broad climate goals.

- ***Superficial Engagement Is Not Enough:*** Our interviews showed communities became skeptical of projects with strong initial engagement but no sustained follow-up. For communities to meaningfully support CDR projects, developers need to do more than show up for a ribbon-cutting. Participants also made it clear that jobs alone will not win support. They want to see real investment in their communities and prolonged, consistent engagement with local communities—whether through profit-sharing, infrastructure improvements, or tangible quality-of-life benefits.

What's Next: Carbon removal technologies hold enormous potential, but they're still new, and their success depends on community buy-in. To help facilitate that, we're making sure our new insights reach the right people—project developers and policymakers—so they can build trust and foster deeper engagement.

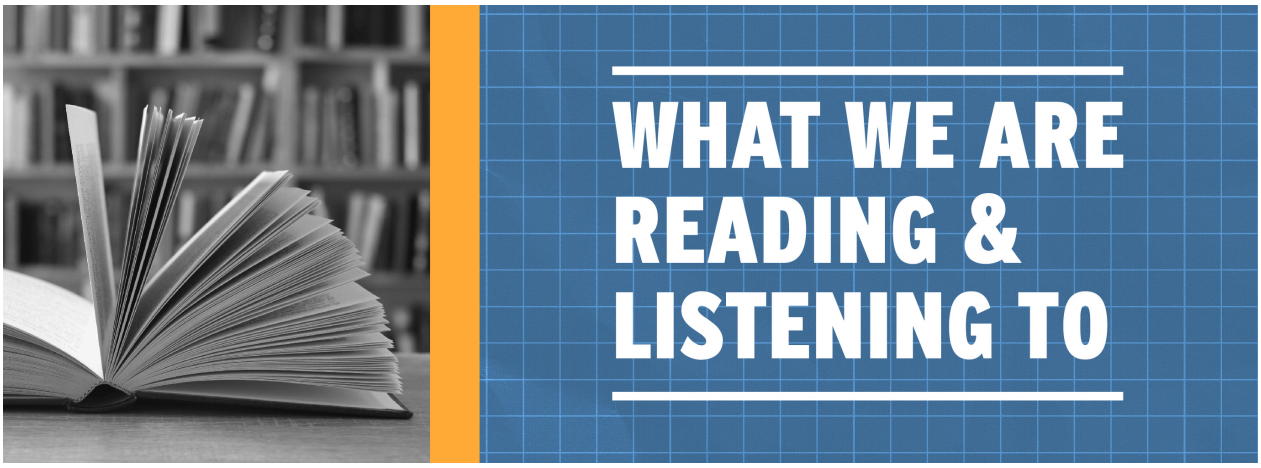
Sustainable Aviation Fuel (SAF) is a clean liquid fuel that can be used in place of, or blended with, conventional jet fuel. It is among the most effective solutions we have for reducing aviation emissions and simultaneously, improving air quality. To better understand the public health benefits of SAF, we partnered with Industrial Economics and SC&A to assess the health impacts of replacing all conventional jet fuel with SAF by 2050. Here are some fast facts:

- ***Preventing Premature Deaths:*** A full transition to SAF by 2050 could prevent over 3,000 premature deaths, 4,000 new cases of asthma, and reduce rates of cardiovascular disease, stroke, and non-fatal lung cancers.

- ***Cleaner Cities***: Switching to SAF significantly reduces air pollution, especially in metro areas where aviation is concentrated.

- ***Economic Benefits:*** The total public health savings from switching to SAF could reach up to $35 billion through 2050.

What's Next: SAF can significantly reduce harmful pollutants that affect air quality, but despite growing interest from major airlines, SAF still only accounts for less than 0.1% of global jet fuel consumption. SAF is expensive to produce, costing up to 4 times more than conventional jet fuel. To unlock the full public health benefits of SAF, we need to make it easier and cheaper to produce. That's why our team is working to advance the right policies that drive demand and investment in SAF. This includes leveraging our modeling work to highlight the importance of extending tax credits for clean fuels and supporting funding for SAF infrastructure–vital steps to make SAF a viable, long-term solution for the aviation industry.



- Michael Joel-Hansen, in *The Saskatoon Star Phoenix,* examines the impact of a 10% tariff on Canadian uranium, highlighting how Canadian suppliers, which provide 27% of US uranium, can absorb the costs, while American utilities would face higher prices and limited alternatives.

- Lisa Friedman, Brad Plumer, and Harry Stevens, in *The New York Times,* detail the impact of President Trump's funding freeze on major clean energy projects and how Republican districts—home to 80% of IRA-driven clean energy investments—are hit the hardest.

- Jason Bordoff, on the Columbia Energy Exchange, talks with gas market experts Anne-Sophie Corbeau and Ira Joseph about the global market for liquified natural gas and the implications of the Trump Administration's energy dominance agenda.