

NEWSLETTER *Published February 2, 2024 · 6 minute read*

Welcome to On the Grid! 02/02/24

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The logo for 'On the Grid' is centered on a dark background with a light grid pattern. The words 'ON THE' are in a white, outlined, sans-serif font, while 'GRID' is in a solid, light green, bold, sans-serif font.

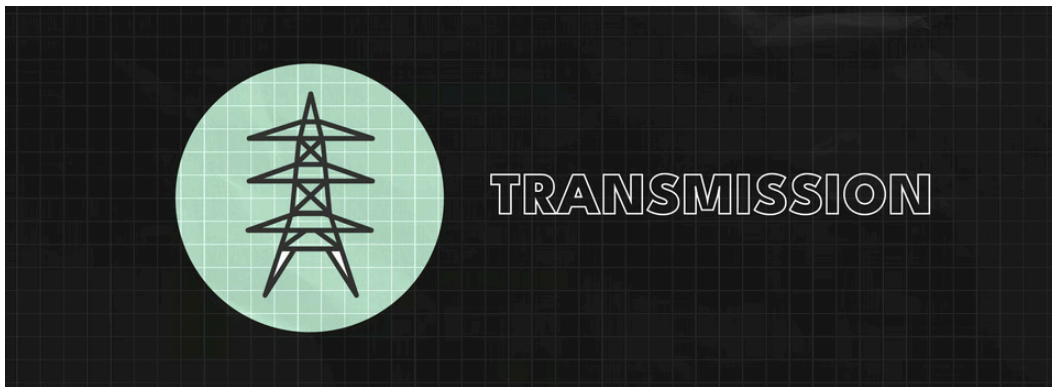
ON THE GRID



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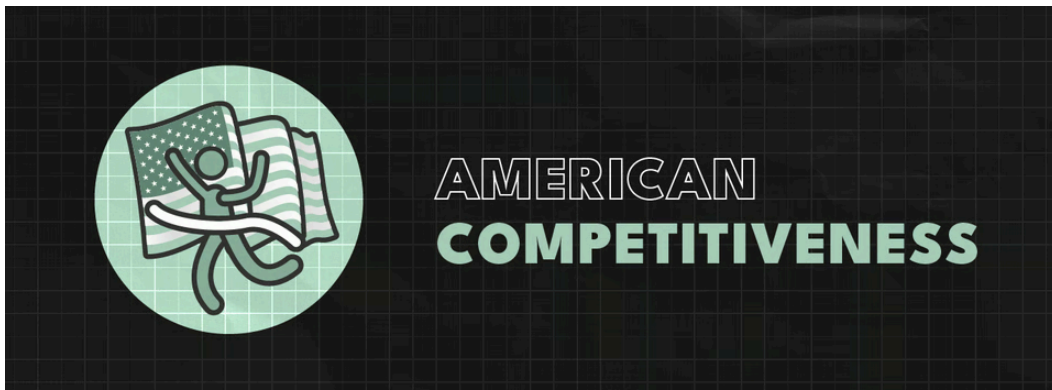
Welcome to *On the Grid*, Third Way's bi-weekly newsletter, where we review the important actions we are taking to help invent and deploy every clean energy technology to get to net-zero as quickly and affordably as possible. As it's an election year, we'll also work to cut through the noise and highlight what's really happening and why it matters for our clean energy work.

We're excited to have you join us!



In 2023, North America's electricity demand and energy consumption accelerated at rates unseen in the past three decades. The North American Electric Reliability Corporation recently warned that if actions are not taken now to ensure the grid is more reliable, secure, and has more generation capacity, there will be a significantly increased risk of widespread electricity shortages and rolling blackouts across the US. This risk will be made worse by the increasingly climate-related extreme weather events.

What we're doing: The US is not moving nearly as fast as it needs to increase clean, firm power generation, including nuclear and geothermal, upgrade the electricity grid, and build out transmission and distribution to ensure reliability and meet growing demand. Unfortunately, permitting reform looks unlikely in 2024. To systemically resolve these challenges, we are embarking on a multi-year effort to identify the pathway and build a coalition of partners supporting substantial permitting and regulatory reform. We are in the middle of conducting analyses on the cost and non-cost barriers standing in the way of fast, clean energy deployment and arming the policymaking community with the information they need to make pragmatic legislative decisions.



The Biden Administration recently announced it will freeze approval of new Liquefied Natural Gas (LNG) export terminals in the United States. The decision has been framed as a way to reduce emissions and further decarbonize the US economy. But the actual effects are much more modest.

What this action does not do:

- Disrupt exports from existing LNG export terminals
- Cancel or slow down the construction of terminals already approved by the government.
- Affect the domestic production of natural gas.
- Reduce demand for natural gas.

What this action does:

- Call for a study to determine the climate and economic impacts of LNG exports.
- Pause permitting for new LNG terminals.

The study could provide the US government with a better understanding of the impact of LNG exports on the price of natural gas in the US. It could also shed light on where natural gas could be exported in the future and whether there are more energy- and carbon-efficient ways to liquify natural gas. All valid areas of inquiry – but neither the pause nor the study itself will reduce emissions or speed decarbonization.



POLITICS

Election season is all about contrasts. In 2024, we're already seeing some Republicans attempt to brand clean energy as "[green giveaways](#)" to China and anti-American. This narrative is starting to gain serious traction in part because the attacks aren't being aggressively rebutted.

What we're doing: Third Way conducted [public opinion polling](#) with Impact Research that shows that Americans trust Republicans more to handle US-China relations by a 6-point margin—a gap that poses a serious risk to clean energy and the federal government's investments and programs this November.

We've developed a [messaging guide](#) to help tell the story of how clean energy investments strengthen America's energy independence and national security. This is a tool that can be helpful to anyone – policymakers, business leaders, and clean energy advocates – talking to audiences that care about energy independence, America's national security, or competition with China.



NUCLEAR

This week, the Department of Energy's Loan Programs Office announced [a \\$1.5 billion loan](#) to Holtec International to restart Michigan's Palisades Nuclear Power Plant by the end of

2025. This is not just a reboot—it marks the first time in the US a mothballed nuclear power would be saved from shutdown and returned to operation. That’s not something that happened under Donald Trump, Barack Obama, or any other president.

Why it matters: We’ve long advocated for preserving our fleet of existing nuclear power plants and were part of the small but loud coalition with Clean Air Task Force, Breakthrough Institute, and Mothers for Nuclear urging the NRC to grant Diablo Canyon an exemption to keep the California nuclear plant open. Extending the life of existing nuclear plants ensures that we don’t backslide to fossil fuels to fill the generation gap left behind by retired plants. This should set a precedent that the US focus entirely on preserving and adding more carbon-free power, resulting in a net positive addition of clean energy, rather than shutting down nuclear plants.



US and European Union climate and clean energy policies have evolved organically to fit each’s unique economic and political landscapes—the Inflation Reduction Act in the US and the Emissions Trading System and Carbon Border Adjustment Mechanism in the EU. The resulting different sets of rules and standards could make it more difficult for US and EU companies to have access to each other’s markets and for the two to compete against aggressive Chinese government competition. This is particularly important in an era when Russia and China are using energy as economic and political weapons against democracies like the US and EU.

What we’re doing: This week, Carbon-Free Europe (CFE), Third Way’s transatlantic initiative, joined Third Way, Breakthrough Energy, corporate leaders, and policymakers to identify concrete steps for the US and EU to take to strengthen a common clean energy market. The event was kicked off by Sen. Sheldon Whitehouse (D-RI) and focused on where synchronized standards, financing mechanisms, and common goals could be developed.



WHAT WE'RE READING & LISTENING TO

- [Charu Sinha](#), in *Heatmap*, points to Republicans' efforts to draw parallels between the Biden Administration's clean energy agenda and Green New Deal, using "green" to sway public opinion against pragmatic, smart clean energy investment.
 - [Madeleine Ngo and Ivan Penn](#), in the *New York Times*, outline how high utility prices can create a cost barrier to clean energy adoption for low-income households.
 - [Bill Loveless](#), in Columbia's *Energy Exchange* podcast series, talks with journalists Jennifer Dlouhy and Justin Worland about the increasing politicization of clean energy and what they expect from Washington on climate and energy during a contentious election year.
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