UNITED STATES CLIMATE ALLIANCE

The Honorable Joseph R. Biden, Jr. President of the United States 1600 Pennsylvania Ave, NW Washington, D.C. 20500

February 9, 2023

Dear President Biden:

As you enter the second half of your term, the U.S. Climate Alliance — a bipartisan coalition of governors representing approximately 60 percent of the U.S. economy and 55 percent of the U.S. population — writes to applaud the administration's historic climate action over the past two years and to recommend a series of priority federal climate actions for the next two years. Continued prompt, effective deployment of federal executive authority is essential to put our nation on a path to meet our emissions reduction targets and achieve our shared climate goals.

Our recommendations include more than 20 specific actions the administration should take at the federal level to cut emissions across sectors, empower climate-leading states, advance environmental justice, increase resilience, lower energy costs, and speed our transition to a net-zero future. Several top priorities include:

- Strengthening federal light-, medium-, and heavy-duty vehicle standards by adopting greenhouse gas (GHG) emission and fuel economy standards before 2024.
- Empowering states to set more stringent vehicle emission standards by approving California waiver requests under the Clean Air Act.
- Tackling GHG emissions from industrial facilities and electricity generation by rapidly adopting new standards under the Clean Air Act.
- Reducing harmful pollutants from buildings by establishing strong emissions-based standards for space and water heating equipment.
- Developing the first national adaptation strategy to ensure that climate resilience is embedded across all regions and sectors.

These critical actions will improve public health, create more jobs, and save consumers money, while helping us tackle the climate crisis and build the clean energy economy of the future.

Just as we worked hand-in-hand with the administration to secure passage of the Inflation Reduction Act, restore states' authority to set stringent clean car standards, phase down harmful hydrofluorocarbons, and so much more, Alliance governors stand ready to collaborate with you on these efforts in the coming months. In the meantime, our states will continue to lead. We will serve as the laboratories for new and innovative climate policies and programs. We will accelerate and scale solutions. And we will continue to sustain, strengthen, and supercharge climate action, no matter the headwinds.

We are grateful for your partnership and the historic climate and clean energy investments flowing into our communities under the Inflation Reduction Act, the Infrastructure Investment and Jobs Act, and the CHIPS and Science Act. We know that, together, we can build an even better future for America.

Sincerely, The United States Climate Alliance

FEDERAL ACTION RECOMMENDATIONS ON CLIMATE

Strengthen federal climate regulations and support more stringent state standards:

- 1. Adopt Stringent Emissions Regulations: Reduce greenhouse gas emissions from industrial facilities and electricity generation by rapidly adopting new standards under 111(b) and 111(d) of the Clean Air Act establishing a stringent federal floor for greenhouse gas emissions from new and existing facilities and updating the stringency of National Ambient Air Quality Standards, Mercury and Air Toxics Standards, and Coal Ash and Cross-State Air Pollution Rules, among others. This comprehensive approach must align the nation's electricity generation with the Nationally Determined Contribution (NDC), improve health outcomes, and strengthen protections for disadvantaged communities. When considering state implementation for rules impacting existing generators, provide flexibility to align dates for replacement capacity of clean generation while minimizing fossil capacity additions.
- 2. **Strengthen Federal Vehicle Standards:** Finalize and adopt stringent federal light-, medium-, and heavy-duty vehicle standards for GHG emissions, criteria air pollutant emissions, and fuel economy before 2024 that align with U.S. 2030 GHG reduction and electric vehicle (EV) sales targets and that require Original Equipment Manufacturers' (OEM) use of zero-emission vehicle (ZEV) technologies, where permitted, to comply with standard requirements.
- 3. **Approve California Waiver Requests**: Empower states to set more stringent vehicle emission standards for internal combustion engine (ICE) vehicles and promote ZEV adoption under Section 177 of the Clean Air Act by approving pending California waiver requests to allow enforcement of the Advanced Clean Trucks and Heavy-Duty Low Nitrogen Oxides (NOx) Omnibus rules, as well as future waiver requests for Advanced Clean Cars II and other zero-emission heavy-duty truck regulations.
- 4. Adopt Equipment Standards: Reduce harmful pollutants from buildings, including NOx, Volatile Organic Compounds (VOCs) and GHGs, by establishing strong emissions-based standards for space and water heating equipment. Accelerate the adoption of energy-efficiency standards for appliances and equipment to reduce emissions and improve public health, particularly in disadvantaged communities. Provide technical assistance to support states in enforcing standards and coordinating with industry to ensure compliance with state-based standards.
- 5. Lead by Example: Accelerate the transition of all federal government fleets to ZEVs, including supporting the rapid transition of U.S. Postal Service fleets. Require all new federal buildings to be energy and water efficient, all-electric, and grid-interactive. These buildings should be planned using site selection that promotes location efficiency and ensures climate resilience. New buildings should be powered by renewable energy, backed up with energy storage, and equipped with charging infrastructure. In addition, drive deep retrofits to existing buildings through implementation of a federal building performance standard.
- 6. **Tackle Methane Emissions:** Rapidly finalize proposed Environmental Protection Agency and Department of Interior rules to prioritize methane emissions reductions by tackling methane venting, leaking, and flaring.
- 7. **Strengthen Nonroad Vehicle Emission Standards:** Update and strengthen GHG emission standards for aircraft, trains and locomotives, maritime vessels (including ocean-going vessels), and other vehicle and equipment types typically exempt from state regulatory purview in a manner that requires adoption of zero- and lower-emission technologies where permitted. Additionally, revise existing preemption regulations for nonroad vehicles and engines so states can more easily use their authorities under the Clean Air Act to address their air quality issues.

Direct resources and tools to support climate action at all levels of government:

- 1. **Maximize IIJA and IRA Climate Benefits:** Center and integrate GHG emissions reductions, climate resilience, and other climate co-benefits in the implementation of all Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA) programs. Partner closely with states, local governments, Tribal governments, and disadvantaged communities in the development and implementation of programs, including by providing additional technical and staffing support and allowing for program flexibility. Leverage resources to address constrained staff and technical capacity in states and across all levels of government, including through the new Climate Pollution Reduction Grants.
- 2. **Improve, Expand, and Expedite Climate Data and Tools:** Make federal climate and energy data and tools more accurate and granular to support state-level emissions reduction efforts for residential and commercial buildings, transportation, industry, non-CO₂ sources, resilience, and natural and working lands (NWL).¹ Accelerate release schedules for these reports to allow states to be more proactive in climate planning.
- 3. Establish a National Civilian Climate Corps: Accelerate and expand mitigation and adaptation initiatives, center equity, and create good-paying jobs for youth by establishing a Civilian Climate Corps, building on successful Alliance state-led programs.
- 4. **Establish National Tree Canopy Goals:** Expand the administration's goal of conserving 30 percent of the nation's lands and waters by 2030 by committing to an additional goal of 30 percent tree canopy coverage in urban, suburban, and rural areas, while allowing for state and local flexibility in their contribution to these national goals.
- 5. Update the Social Cost of Greenhouse Gases: Swiftly finalize updated federal Social Cost of Greenhouse Gases (SC-GHG) metrics and develop and publish metrics for the Social Cost of Hydrofluorocarbons (HFCs) and all other GHGs, so governments at all levels can more accurately account for the true costs of climate change in policymaking. Work closely with Alliance states to help expand the application of these metrics.
- 6. **Develop a National Adaptation Strategy**: Develop the federal government's first national adaptation strategy, building on findings from the 5th National Climate Assessment. This strategy should center the protection of overburdened and underserved communities in climate adaptation and resilience planning and projects, and it should integrate heat impacts into climate resilience funding programs as an impact to public health, including emergency management and hazard mitigation programs.
- 7. **Prioritize and Protect Climate-Vulnerable Communities**: Direct the Federal Emergency Management Agency to prioritize resilience investments in communities that are particularly vulnerable to the impacts of climate change before a disaster hits. Ensure application processes and criteria for existing and new grant programs are accessible to small, disadvantaged, and underserved communities in all areas of the country.
- 8. **Expedite Transmission Development:** Support rapid transmission deployment utilizing all available tools and authorities to ensure grid reliability, maintain consumer affordability, ensure climate-resilient infrastructure siting, and deliver generation resources needed to decarbonize the electricity sector.

¹ Improvements should include: making transportation emissions data available by vehicle class and technology; expanding the Manufacturing Energy Consumption Survey to include additional industrial data such as costs and operating characteristics; accelerating updates to the functionality, data, and scope of the State Inventory Tool in partnership with states; downscaling resilience data to better assist state and local decision-making; establishing a baseline to track progress toward national resilience goals; and establishing a nationwide GHG inventory improvement program for NWL.

- 9. Create Systems to Support a National Carbon Offsets Market: Develop protocols and standards to enable inter-state trading, tracking, and verification of emissions credits generated by carbon removal projects.
- 10. Accelerate Offshore Wind Energy Deployment: In collaboration with Alliance states, accelerate offshore wind energy deployment and exceed existing national goals to deploy 30 GW of offshore wind by 2030 and 15GW of floating offshore wind by 2035, including by advancing wind lease sales and supporting coordinated proactive transmission planning.
- 11. **Partner with States on Buy Clean:** Create a robust, standardized market for lower carbon industrial materials through close partnership with states, local governments, and Tribes to accelerate the development and implementation of Buy Clean programs.
- 12. **Support ZEV Infrastructure Deployment**: Rapidly deploy newly available federal support for states to expand ZEV infrastructure, particularly for medium- and heavy-duty vehicles, including through flexible and timely funding, increased technical assistance, and state engagement.
- 13. **Prioritize VMT Reduction:** Direct agencies party to the Clean Transportation MOU issued on September 15, 2022 to prioritize Vehicle Miles Traveled (VMT) reduction efforts across federal guidance, policies, and programs. VMT reduction efforts include expanding access to affordable and convenient regional and intercity transit, giving preference to highway repair and maintenance over capacity expansion, better integrating land use and housing development with transportation planning, and increasing pedestrian and micromobility mode share, safety, and electrification.
- 14. **Integrate Freight Decarbonization in Federal Plans:** Immediately update and implement the National Freight Strategic Plan in alignment with IIJA requirements to include strategies for decarbonizing freight movement.