Initiatives for Cleaner Air

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Regional Economic Models, Inc.

what does REMI say?℠

Agenda

IRA Overview

EPA Components

E3+ Applications

Other IRA Analysis

Q&A

Environmental Justice

Greenhouse Gas Reduction Fund - $27 Billion

- Capital opportunities for states, Tribes, local governments, nonprofit green banks prioritizing low-income and disadvantaged communities, including a $7 billion Solar for All Grant Competition

Environmental and Climate Justice Grants - $3 Billion

- Community-led air pollution monitoring, prevention and remediation, extreme heat and wildfire health and climate risk mitigation, indoor air pollution reduction

Protecting Children- $50 Million

- Funding for schools and related organizations serving low-income communities to create environmental quality plans, mitigate air pollution hazards, and improve student and staff safety and health

Environmental Justice

Clean Ports - $3 Billion

- Zero-emission port equipment and climate action plans for surrounding communities

Superfund Petroleum Tax - $11.7 Billion (expected)

- IRA reinstates this tax, adjusts the tax rate for inflation, adds cost-of-living adjustment, to fund the EPA Superfund Program

Enforcement Technology - $25 Million

- Integrated Compliance Information System (ICIS) to target enforcement efforts for the Clean Water Act (CWA), Clean Air Act
- (CAA), and Resource Conservation and Recovery Act (RCRA)

Cleaner Emissions from Trucks and Heavy-Duty Vehicles - $1 Billion

- Replacing heavy-duty ICE vehicles with zero-emission; zero-emission infrastructure, workforce development

Tackling Climate Pollution

Climate Pollution Reduction Grants - $5 Billion

- State, Tribe, and agency funding for local greenhouse gas reduction strategies

Methane Emissions Reduction Program - $1.55 Billion

- Targets oil and gas sector through financial assistance (grants, rebates, contracts, loans) and technical assistance, coupled with a waste emissions charge for facilities reporting >25,000 metric tons CO_2 annually and exceed other thresholds

Environmental Product Declaration Assistance - $250 Million

- Grants, technical assistance, and tools for States and Tribal Nations, manufacturers, real estate developers, builders, and others to measure, report, and lower embodies carbon and GHG emissions from construction materials and products

Labeling for Substantially Lower Carbon Construction Materials - $100 Million

Low-Emissions Electricity Program - $87 Million

Tackling Climate Pollution

Permitting and Approvals - $40 Million

- Efficient, accurate, and timely permits and environmental reviews for clean energy/infrastructure projects

American Innovation and Manufacturing Act Implementation - $38.5 Million

- HFC reduction via grants, monitoring, and compliance measures

Methane Emissions Monitoring - $20 Million

Renewable Fuels Standards (RFS) Program - $15 Million

Greenhouse Gas Corporate Reporting Program - $5 Million

Supporting State GHG and Zero-Emission Transportation Standards - $5 Million

Delivering Cleaner Air

Air Pollution Monitoring - $117.5 Million (combined ARPA/IRA)

- Competitive grants for community monitoring, expansion of Tribal monitoring
- Improvements in ozone, PM monitoring programs, and new methods for air toxic detection

Multipollutant Monitoring - $50 Million

- State, local, Tribal air agency expansion of the national ambient air quality monitoring network

Diesel Emissions Reductions - $60 Million

- Goods movement projects in low-income and disadvantaged communities

Clean Air Act Grants - $25 Million

- For air pollution control agencies and related organizations to address air quality, transportation, indoor air, climate change

Wood Heaters - $15 Million

- Reduction of emissions and evaluating/improving emissions test methods

Air Quality Sensors - $3 Million

- Directed at low-income and disadvantaged communities via grants and regional sensor loan programs

Selections for ARP Enhanced Air Quality Monitoring Competitive Grant - Northeast

E3+ Features

Features draw from available Energy Information Administration guidelines and data

Social Cost of Emissions Integration

- CO_2
- NO_X
- SO_2
- PM_{10} & $PM_{2.5}$

Carbon Tax Scenarios

Customized power plant construction – coal-fired, solar, natural gas, nuclear, offshore/onshore wind

Energy and fuel cost scenarios

Larger IRA Impacts

Economic Implications of the Climate Provisions of the Inflation Reduction Act (Bistline, Mehrotra, Wolfram)

- 50% increase in renewable power generation ($800 Billion over 10 years)
- Projected 6-11% decrease in carbon emissions compared to baseline by 2030
  - 32-42% reduction overall compared to 2005 levels
- Reduced, possibly *negative* wholesale electricity prices at up to 20% of hours
  - More modest forecast of 2.2% reduction

- Long-term supply benefits from reduced energy costs
- Policies highly susceptible to high interest rates, other costs

- Although fiscal impacts may be much higher than other estimates (unbounded) it is still cost-effective at reducing emissions (max $83/ton vs. $185/ton social cost)

Thank you for attending!

For more information, please contact
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Sources

EPA Resources
https://www.epa.gov/inflation-reduction-act

Economic implications of the climate provisions of the Inflation Reduction Act
- Summary
https://www.brookings.edu/articles/economic-implications-of-the-climate-provisions-of-the-inflation-reduction-act/

-Full Text
https://www.brookings.edu/wp-content/uploads/2023/03/BPEA_Spring2023_Bistline-et-al_unembargoedUpdated.pdf