



March 2021

The CLEAN Future Act – Updates to Discussion Draft Based on Feedback from Stakeholders & Committee Testimony

COMMITTEE ON ENERGY & COMMERCE

The CLEAN Future Act is a comprehensive and ambitious plan to ensure the United States acts aggressively to tackle the climate crisis in the 2020s and achieves net-zero greenhouse gas (GHG) pollution by no later than 2050. At the heart of the bill is a commitment to achieving a 50 percent reduction in GHG emissions from 2005 levels by no later than 2030 and a 100 percent clean economy by no later than 2050. The legislation includes both sector-specific and economywide solutions to achieve these goals, authorizing \$565 billion over ten years to enable deep decarbonization. The CLEAN Future Act includes significant updates to the draft released in January 2020, reflecting more than a year's worth of feedback from stakeholders, expert testimony received in Committee hearings, and the enactment of several previous provisions into law. This fact sheet highlights key provisions and updates to the CLEAN Future Act.

Title I – National Climate Target

- **NEW** Declares an interim national goal for the United States to reduce GHG pollution by no less than 50 percent below 2005 levels by no later than 2030.
- Declares a national goal for the United States to achieve net-zero GHG emissions by no later than 2050.
- Directs the head of each federal agency to develop a plan for that agency to achieve the national goals using existing authorities and charges the Environmental Protection Agency (EPA) with reviewing those plans and monitoring the nation's progress, with input from a Clean Economy Federal Advisory Committee.

Title II – Power

- Establishes a federal Clean Electricity Standard (CES) to put the United States on a path to 100 percent clean electricity generation by 2035.
 - **NEW** Accelerates the transition to clean electricity by requiring all retail electricity suppliers to reach 80 percent clean electricity by 2030 and 100 percent by 2035.
 - **NEW** Phases out the ability of fossil fuel power plants to earn partial credits by lowering the carbon intensity factor from 0.82 (adjusted for upstream GHG emissions) in 2030 to 0.4 in 2035.
 - **NEW** Allows the EPA Administrator to extend an individual retail electricity supplier's compliance obligation in the 2030s by one year at a time, if the supplier submits alternative compliance payments for more than 10 percent of its compliance obligation in the two prior consecutive years. Such extensions may be granted to an individual retail electricity supplier no more than five times.
 - **NEW** Requires that to be eligible to receive credits prevailing wages must be paid for construction of new generating units, and all qualifying generation must remain neutral with respect to the right to organize and bargain.
 - **NEW** Limits eligibility for waste-to-energy facilities to those that the EPA Administrator certifies every 18 months meet emission standards applicable to new such facilities and are in compliance with all applicable environmental permits.
- Enables the responsible buildout of the United States electricity transmission system to help achieve national clean energy goals.

- **NEW** Updates and restores federal backstop siting authority, improving interregional transmission planning and accuracy when identifying transmission needs, and supporting non-transmission alternatives.
- **NEW** Establishes an Office of Transmission at the Federal Energy Regulatory Commission (FERC) to help oversee the growing transmission system and provide assistance to state, local, and Tribal governments to help with permitting and siting of interstate transmission lines.
- **NEW** Establishes a program to provide funding for clean energy microgrids that will help communities build and improve resilience to climate change hazards.
- Strengthens the grid by creating a program to fund projects that improve grid resilience and efficiency, as well as programs to fund development of microgrids for critical infrastructure and isolated communities.
- Supports the transition to a low-carbon economy by investing in clean energy, distributed energy resources, energy storage systems, and microgrids.
- Updates and reforms the Public Utility Regulatory Policies Act (PURPA) of 1978 to include resources such as energy storage and non-wires solutions.
- **NEW** Ensures electric utilities offer community solar to all ratepayers by establishing a new standard under PURPA.
- Invests in clean and distributed resources such as community solar programs for low-income and underserved areas, and directs the Secretary of Energy to establish a Distributed Energy Opportunity Board.
- Reauthorizes the Low-Income Home Energy Assistance Program.
- **NEW** Directs the National Academy of Sciences to conduct a study on the equitable distribution of the benefits of clean energy.
- **NEW** Mandates dam safety and financial viability requirements as part of FERC's dam licensing process; directs FERC to hold a technical conference on dam safety; and requires continued communication between FERC and states on dam safety.

Title III – Efficiency

- Sets new energy efficiency targets and standards for buildings and provides funding for schools, homes, nonprofits, and critical infrastructure to improve efficiency, deploy energy-efficient technologies, and improve resilience.
- Authorizes grants to local communities to improve energy efficiency, including \$500 million for workforce training and \$8 billion in rebates for home retrofits.
- Boosts funding for popular and proven energy efficiency programs, providing nearly \$17.5 billion for the Energy Efficiency and Conservation Block Grant Program.
- **NEW** Establishes a benchmarking program to track commercial and multifamily building energy and water use to advance efforts to reduce energy and water consumption and GHG emissions at these buildings.
- **NEW** Reauthorizes the State Energy-Efficient Appliance Rebate Program and expands eligibility to cover replacement of appliances that will be powered by electricity.
- **NEW** Provides funding for projects related to resiliency, energy efficiency, renewable energy, and grid integration at public facilities.
- **NEW** Establishes a program to provide rebates to homeowners to defray the costs of retrofitting an existing home to be wildfire-resistant.
- **NEW** Amends the Energy Policy and Conservation Act of 1975 to add a section on state energy security plans.
- **NEW** Establishes a training and education program to support home energy savings retrofits.
- **NEW** Establishes annual targets for federal facilities to improve energy and water use efficiency under the Federal Energy Management Program.

Title IV – Transportation

- Includes numerous measures to expand U.S. electric vehicle infrastructure and access.
 - Authorizes \$500 million to deploy electric vehicle supply equipment (EVSE).
 - Supports development of model building codes for EVSE integration and standards needed for EVSE deployment.
 - **NEW** Establishes a program to provide funding to determine where EVSE will be needed to meet demand.
 - **NEW** Directs the Secretary of Energy to conduct an assessment to determine the challenges to and opportunities for the deployment of EVSE in underserved or disadvantaged communities.
 - **NEW** Establishes a Department of Energy (DOE) program to support the development and accessibility of electric vehicle charging infrastructure in underserved communities by providing technical assistance and awarding grants for eligible projects.
 - Ensures states are ready for growing electric vehicle charging demand by authorizing funding for State Energy Conservation Plans and State Energy Transportation Plans.
 - Amends PURPA to require states consider authorizing measures that encourage deployment of EVSE.
- **NEW** Revitalizes EPA’s clean school bus program and authorizes \$2.5 billion annually to accelerate the transition to zero-emission school buses and clean commutes for kids.
- **NEW** Establishes an EPA grant program to reduce GHG emissions and other forms of air pollution at ports, authorized to invest \$2 billion annually to decarbonize and electrify port infrastructure and operations.
- **NEW** Increases authorized funding for the Diesel Emissions Reduction Act (DERA) program to \$500 million annually.
- Directs EPA to promulgate emissions standards for GHG emissions from nonroad sources, including locomotives, and from both in-service aircraft and new aircraft, with requirements to increase ambition in reducing emissions.
- Reauthorizes DOE financing programs to help create and expand domestic manufacturing of advanced vehicles and advanced vehicle components.
- Authorizes \$10 million for a pilot program to electrify diesel-powered transport refrigeration units used to deliver and store perishable goods and medications.
- Authorizes \$375 million for the Clean Cities Coalition Program.
- Accelerates action on pathways for lower-carbon fuels under the renewable fuels program.
- **NEW** Creates a deadline for annual submission of petitions to extend small refinery exemptions under the renewable fuels program, and increases transparency by making certain information from those petitions subject to public disclosure.

Title V – Industry

- Establishes an Assistant Secretary of Energy for Manufacturing and Industrial Decarbonization to oversee programs related to manufacturing at DOE.
- Directs EPA, in consultation with DOE and other relevant agencies, to establish a Buy Clean Program to reduce emissions from materials and products used in federally funded projects.
 - **NEW** Establishes a Climate Star program to identify and promote cleaner products through voluntary labeling and federal procurement requirements.
 - **NEW** Updates the performance standards process to ensure adequate consideration of the various factors and complexities of eligible material manufacturing.
 - **NEW** Incorporates the expertise of relevant stakeholders and other Federal agencies, including DOE and the National Institute of Standards and Technology, to improve program development, enforcement, and efficacy.
- **NEW** Creates a DOE grant program to support manufacturing of clean energy systems and decarbonization of energy-intensive product manufacturing.

- **NEW** Establishes a Sustainable Industry Rebate Program at DOE to assist industrial facilities in making upgrades to improve energy and water efficiency and reduce GHG pollution.
- **NEW** Establishes an Industrial Efficiency Working Group to assess technologies and maintain a comprehensive list of those that qualify for a rebate.
- Directs DOE to assist small and medium manufacturers in implementing smart manufacturing practices using existing technical assistance programs and smart manufacturing infrastructure at the National Labs. Authorizes \$10 million annually to help states deploy smart manufacturing technologies.
- Modernizes how DOE's Loan Program Office evaluates an applicant's prospects of repayment.
- Supports carbon sequestration with funding for federal and state Class VI well permitting.

Title VI – Environmental Justice

- Provides funding for technical assistance grants to empower environmental justice communities in the regulatory decision-making process under the Clean Air Act and Solid Waste Disposal Act.
- Strengthens E.O. 12898 by codifying an Interagency Federal Working Group on Environmental Justice; requiring relevant federal agencies to integrate environmental justice into their respective missions; and codifying the National Environmental Justice Advisory Council.
- **NEW** Creates a new program to pay for lead service line removal across the country at no cost to states or homeowners, with high labor standards, using American-made iron and steel. The program will prioritize the replacement of lead service lines impacting disadvantaged communities.
- **NEW** Restricts air pollution permits from being issued or renewed for major sources in census tracts already overburdened by pollution.
- **NEW** Establishes an Office of Energy Equity at DOE to develop an agency-wide environmental justice strategy, reduce or stabilize energy costs in underserved or disadvantaged communities, and increase access to energy conservation measures in these communities.
- **NEW** Establishes a climate justice grants program to help address the impacts of climate change in environmental justice communities.
- **NEW** Establishes a timeline for EPA to assess and address cumulative public health risks.
- **NEW** Sets a ten-year deadline for the cleanup of all federal Superfund sites that are vulnerable to the effects of climate change.
- Requires that state hazardous waste disposal plans neither create nor exacerbate disproportionate impacts on environmental justice communities prior to federal approval.
- **NEW** Requires significant expansion of air quality monitoring for toxic air pollutants in fenceline communities, a rapid expansion of the national ambient air monitoring network in overburdened communities, and increased community access to information about air quality.
- **NEW** Requires environmental justice training for employees at federal agencies.
- **NEW** Establishes an environmental justice basic training program for communities to better identify and address disproportionately adverse human health or environmental effects.
- **NEW** Establishes an environmental justice clearinghouse with information on EPA environmental justice activities, technical expert and community group directories, and linguistically appropriate information.
- **NEW** Requires biennial meetings in each EPA region to gather input on environmental justice strategies and efforts by community stakeholders.
- **NEW** Provides funding for capacity-building in environmental justice communities.

Title VII – Super Pollutants

- Directs EPA to address methane pollution from the oil and gas sector by requiring existing sources to cut emissions 65 percent below 2012 levels by 2025 and 90 percent below 2012 levels by

2030. Further directs EPA to address pollution from liquified natural gas facilities and offshore oil and gas operations.

- Prohibits routine flaring from new oil and gas sources, limits routine flaring for existing sources to 80 percent below 2017 levels by 2025, and completely phases out the practice by 2028.
- Establishes a \$1.25 billion grant program at DOE to prevent methane leaks from the natural gas distribution system and to offset rate increases for low-income communities.
- Addresses domestic black carbon pollution by directing EPA to promulgate new rules if existing rules are insufficient to cut emissions 70 percent below 2013 levels by 2025. Also directs EPA to participate in international efforts to reduce black carbon emissions and provides support for Arctic indigenous communities affected by black carbon.
- **NEW** Establishes an EPA grant program for states to construct large-scale composting or anaerobic digestion food waste-to-energy projects.

Title VIII – Economywide Policies

- Empowers states to complete the transition to a net-zero economy, based on the existing federalism model in the Clean Air Act. States have flexibility to develop plans based on their policy preferences, priorities, and circumstances, and may choose to incorporate model GHG control strategies developed by EPA. Authorizes \$200 million to help states prepare plans.
- **NEW** Establishes a Clean Energy and Sustainability Accelerator, capitalized with \$100 billion to help states, cities, communities, and businesses transition to a clean energy economy. The Accelerator will leverage public and private funds to provide financing for clean energy technologies and infrastructure, climate resiliency, building efficiency and electrification, industrial decarbonization, transportation electrification, and more.
- **NEW** Includes an overarching requirement that 40 percent of funds made available under the CLEAN Future Act benefit environmental justice communities.
- Establishes a clean energy workforce development program to educate and train the next generation of clean energy researchers, scientists, and professionals, including through grants to eligible businesses.
- Requires that any project funded under the Act to construct, alter, maintain, or repair a public building or public work only use iron, steel, and manufactured goods produced in the United States. Also includes strong prevailing wage standards and project labor agreement requirements for any project fully or partially funded under the Act.
- **NEW** Directs the Securities and Exchange Commission to require public companies to disclose information about their exposure to climate-related risks, including direct and indirect GHG emissions, and risk management strategies to identify and mitigate the physical and transition risks posed by climate change.

NEW Title IX – Waste Reduction

- **NEW** Introduces a suite of measures to reduce the generation of waste before it has the chance to pollute the nation’s air, water, and communities.
- **NEW** Places a temporary pause on the permitting of new and expanded plastic production and related facilities, during which EPA must update clean air regulations to limit emissions from these facilities.
- **NEW** Directs EPA to ensure that any permit for a new or expanded plastic production or related facility addresses environmental justice impacts, including by conducting an environmental justice assessment and consulting with impacted communities.
- **NEW** Modernizes the nation’s approach to recycling and waste management, including by establishing post-consumer recycled content standards for everyday products; implementing a national bottle deposit program to improve the collection of recyclable beverage containers; and standardizing labeling and collection of recyclable goods.
- **NEW** Establishes a task force to initiate the process of creating an extended producer responsibility system for products in the marketplace.

- **NEW** Establishes EPA grant programs to invest in community-level zero-waste initiatives; to reduce the amount of waste that ends up in landfills; and to improve education and outreach related to recycling and waste reduction at the federal, state, and local levels.
- **NEW** Establishes programs and measures to improve the collection, recycling, and reuse of batteries and other forms of electronic waste.
- **NEW** Directs EPA to clarify federal agencies' responsibilities related to the procurement of products containing recovered material.

NEW Title X – Worker and Community Transition

- **NEW** Introduces numerous programs to address the needs of workers and communities affected by the transition to a clean energy economy.
- **NEW** Establishes an Office of Energy and Economic Transition in the Executive Office of the President to coordinate federal activities concerning worker and community transition.
- **NEW** Establishes an interagency task force and stakeholder advisory committee to enhance coordination of relevant programs and activities intended to support adversely affected workers and communities.
- **NEW** Creates a program to provide financial assistance to local governments that have lost significant amounts of revenue due to the nation's transition to net-zero GHG emissions. Grants may also be awarded to assist local governments in planning for anticipated community adjustment assistance.
- **NEW** Establishes a program to fund one-stop, community-based organizations in affected communities to advise workers and communities. Programs advise communities in applying for assistance; conducting education and outreach activities; providing information on locally available training, counseling, employment opportunities, and wraparound services; and facilitating enrollment in training and educational programs.

Several provisions that were included in the draft legislation last year are not included in the introduced CLEAN Future Act this year because they were signed into law in 2020 as part of the Consolidated Appropriations Act, 2021. The provisions are:

Indian energy (previously Sec. 233 of CLEAN Future Act discussion draft)
 Rural grants (previously Sec. 234)
 Promoting grid storage (previously Sec. 235)
 Energy efficient transformer rebate program (previously Sec. 237)
 Hydroelectric production incentives and efficiency improvements (previously Sec. 243)
 Weatherization assistance program (previously Sec. 311)
 Energy retrofitting assistance for schools (previously Sec. 313)
 Energy efficient government technology (previously Sec. 323)
 Smart energy and water efficiency program (previously Sec. 324)
 Smart building acceleration (previously Sec. 325)
 Energy savings performance contracts (previously Sec. 341)
 Loan program office reform (previously Sec. 502)
 Supporting carbon capture utilization and storage (previously Sec. 503)
 CHP Support Act (previously Sec. 511)
 Development of National Smart Manufacturing Plan (previously Sec. 512(b))
 Motor rebate program (previously Sec. 513)