

Top Climate Change Policies To Watch in 2025

By Keith Goldberg and Juan-Carlos Rodriguez

Law360 (January 1, 2025, 8:01 AM EST) -- The incoming Trump administration is expected to hit the ground running in the New Year to roll back Biden-era rules taking aim at climate change and industries that rely on fossil fuels.

Here are key climate change policies to watch in 2025.

EPA Power Plant Emissions Rule

It's safe to say that the EPA's latest rule curbing greenhouse gas emissions from power plants is at or near the top of the Trump administration's list of regulations to revoke, given that his previous administration rescinded the Obama-era Clean Power Plan.

But Brian Israel, who co-chairs the environmental litigation practice at Paul Hastings LLP, said unwinding the rule is still a regulatory process that the Trump administration can't take shortcuts on, especially in a world where so-called Chevron deference to federal agencies from courts no longer exists after the U.S. Supreme Court's June decision in *Loper Bright Enterprises et al. v. Raimondo et al.*

"Depending on the basis of the decision and how the Trump administration articulates its action, even deregulatory actions could be subject to the new regime where they don't get the benefit of deference," Israel said.

Methane Regulations

Another rule that will be a rollback target is the EPA's sweeping methane control requirements for oil and gas infrastructure.

"Those are certainly on the chopping block for review, if not substantial revision," said Jim Noe, who co-chairs Holland & Knight LLP's oil and gas practice.

What that revision looks like isn't clear, attorneys say. In litigation over the current rule, oil and gas industry groups are challenging several aspects of it, but aren't calling for it to be scrapped entirely. Meanwhile, Republican-led states want major chunks of the rule vacated, claiming it unlawfully usurps their ability to craft their own methane regulations.

"There's not universal agreement among the regulated parties as to what the best course is," Israel said.

"Will this administration look for ways to carry forward some elements where significant parts of the industry actually prefer to have a federal regime and avoid the problem of different regimes from different states?"

The Trump administration will likely oblige the oil and gas industry's wish to eliminate an EPA fee that companies must pay if their methane emissions exceed certain thresholds. The fee went into effect in 2024.

But the methane fee is mandated by the Inflation Reduction Act, so eliminating it isn't as simple as rescinding the EPA rule.

"Any modification of the methane fee would require congressional action to revisit the IRA," Noe said.

Given that the Republican-controlled Congress has pledged to revisit the IRA, a revision or repeal of the methane fee is a possibility.

Lifting of LNG Export Pause

Attorneys expect the Biden administration's moratorium on approvals of liquefied natural gas exports to countries that don't have free-trade agreements with the U.S. to be lifted within the first week of Trump taking office, if not on the first day of his term.

"That's a headline issue and probably doesn't have immediate effect with real-world projects," Noe said. "Nonetheless, it's something the industry expects and a pledge the Trump campaign made repeatedly."

But Kirstin Gibbs, who co-leads Morgan Lewis & Bockius LLP's energy industry team, said the bigger question for the oil and gas industry is what the U.S. Department of Energy will do with an updated LNG export study released last month.

The study said that unconstrained U.S. LNG exports would increase both domestic energy prices and cumulative greenhouse gas emissions, though it also said that U.S. gas supplies are sufficient to meet both domestic demand and global demand for U.S. LNG.

"They could certainly start immediately to revise it and come up with a different conclusion, issue a supplemental report, and probably try to do that pretty quickly," Gibbs said.

GHG Endangerment Finding

Buried within Project 2025, the Heritage Foundation's blueprint for accomplishing policy objectives in a new Republican administration, lies the suggestion that the U.S. Environmental Protection Agency should "update" its 2009 finding that atmospheric concentrations of carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride pose a danger to people's health.

Trump's transition team and some nominees are tied to Project 2025, and efforts have been made in the past to undermine the EPA's conclusion, leading observers to believe it could come under review.

The so-called endangerment finding for those greenhouse gases laid the groundwork for a variety of regulations. The carbon dioxide finding, for example, set the stage for new emission standards at power

plants. The Obama, Trump and Biden administrations have all taken cracks at promulgating those standards, and the D.C. Circuit is now considering the validity of the EPA's latest power plant GHG emissions rule.

Reversing the endangerment finding would have broad ripple effects for different industries including power generation, automobiles, fossil fuel development and refrigeration, since they all involve significant emissions of greenhouse gases.

NEPA Regs Could Swing Again

The Trump administration will very likely be thinking about how to roll back or tweak the Biden administration's 2022 and 2024 National Environmental Policy Act regulation updates. Those updates reversed limitations placed on the scope of NEPA reviews that were implemented in 2020, and added new provisions including explicit instructions for agencies to consider projects' climate change impacts, such as greenhouse gas emissions associated with oil pipelines.

In the 2022 Phase 1 rule, the White House Council on Environmental Policy established that federal agencies must evaluate the direct, indirect and cumulative impacts of proposed projects, a departure from the 2020 rule that restricted what impacts agencies could consider. The CEQ said that would include fully evaluating climate change impacts.

The Phase 2 rule from April reflected the Biden administration's policy priorities of encouraging renewable energy development and taking a harder look at the climate and environmental justice impacts of fossil fuel projects.

Loyti Cheng, counsel at Davis Polk & Wardwell LLP and head of the firm's environmental practice, said that although Trump hasn't laid out specific plans regarding NEPA, his statements about cutting "red tape" and stopping "frivolous litigation" blocking energy projects reflect an intention to ease the approval of domestic oil and gas exploration and production on federal lands, as well as other energy infrastructure projects.

Cheng said that would be similar to revisions to NEPA regulations issued during his first administration.

"These revisions included changes that narrowed the scope of projects subject to NEPA review and gave discretion to agencies to avoid consideration of climate change in assessing environmental impacts and they might again be featured in NEPA regulations issued during the second Trump term," Cheng said.

New Tailpipe Standards Ahead

The Biden administration has worked to strengthen auto emission standards for various types of vehicles in pursuit of its climate change goals. Trump weakened Obama-era standards during his first term, and probably won't shy away from promulgating new rules of his own during his second.

The Biden EPA in April finalized two rules intended to reduce pollution and greenhouse gas emissions from different types of vehicles.

One of those rules required reductions in greenhouse gas emissions from cars, trucks and vans through 2032 and tightened standards for medium-duty vehicles, which include large pickups and vans. The EPA also finalized new greenhouse gas standards for heavy-duty vehicles, such as delivery trucks, dump

trucks, public utility trucks and buses.

Automakers have been resistant to changes they see as too dramatic, and have sent mixed messages on their enthusiasm for a faster transition to zero emission vehicles. And in revisiting the standards, the EPA always consults with those players, as well as parties pushing for stricter regulations.

And if the Trump administration stays true to its pro-business mantra, it's likely the nation will see rules with much less ambition to reduce greenhouse gas emissions for climate change purposes.

--Editing by Kelly Duncan.

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