

# [***Meet the Officials Making Key Parts of Biden's Climate Agenda a Reality***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6C16-SR91-DY68-10M2-00000-00&context=1516831)

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**Highlight:** Climate programs that Jigar Shah at the Department of Energy and Jahi Wise at the Environmental Protection Agency oversee will pump billions into clean tech.

**Body**

President [*Joe Biden*](https://www.newsweek.com/topic/joe-biden?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships) has spearheaded the biggest government investment in renewable energy, clean manufacturing and electric vehicles in history. Now, with the clock ticking on the final year of Biden's term, the administration faces the daunting task of putting that climate funding into action.

Two men in the Biden administration oversee programs that will make or break a large part of the President's climate agenda, leading programs that aim to pump some $286 billion into nearly every aspect of the nation's energy economy.

Jigar Shah directs the Department of Energy's Loan Programs Office, which has already approved tens of billions of dollars' worth of loans and has $217 billion left to spend. The companies applying for loans want to build renewable and low-carbon power generation, transmission lines to carry that green electricity and innovative approaches for more efficient use of energy.

Jahi Wise directs the U.S. Environmental Protection Agency's [*Greenhouse Gas Reduction Fund*](https://www.newsweek.com/green-power-people-bidens-20b-bet-clean-energy-communities-1888036?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships). The GGRF has awarded $27 billion to a range of groups that will fund rooftop solar and other clean energy projects in low- and moderate-income communities.

Both Shah and Wise have backgrounds in clean energy development, and they've won praise from people in renewable energy and climate action circles—the word "transformative" inevitably comes up in conversations about the two and the programs they lead.

But both men also face intense scrutiny from budget watchers due to the eye-popping sums they manage and backlash from traditional fossil fuel interests, and the stakes go far beyond ***politics***.

"This is not a question of, 'Does Joe Biden get a feather in his cap?'" former Department of Energy official Jonathan Elkind told *Newsweek*. Elkind is now a fellow and senior research scholar at Columbia University's Center for Global Energy Policy. "This is about positioning U.S. companies in what is arguably the biggest strategic opportunity, market opportunity of a lifetime."

**'Dormant' DOE Program Turned Dealmaker**

The Loan Programs Office was once a rather obscure part of the Energy Department, and one that had been sidelined under the administration of President [*Donald Trump*](https://www.newsweek.com/topic/donald-trump?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships).

"I think the [Energy] secretary used the word 'dormant,'" Shah told *Newsweek* in an interview during a Climate Action Summit event sponsored by the nonprofit Climate Group last month in Washington, D.C.

The office quickly went from dormancy to central dealmaker with the passage of two major pieces of legislation. The Infrastructure Investment and Jobs Act of 2021 and the Inflation Reduction Act of 2022 both gave massive loan authority to the DOE, and Shah was picked to oversee disbursement of those loans.

As of April, the office had a little more than 200 loan applications seeking a total of more than $260 billion, Shah said. According to the DOE, Shah's office had issued $42.1 billion in loans and loan guarantees by the end of March and has $217.6 billion remaining in its loan authority.

"We're excited about the fact that people are doing big things in the United States today and that they want to use our loan program to do that," Shah said.

Those big things include applications for industrial-scale wind and solar, green hydrogen, carbon sequestration, geothermal and nuclear power.

Shah was already a well-known figure in clean energy circles before taking the job at DOE. He was co-founder of Generate Capital, which helped finance energy entrepreneurs, and he founded SunEdison, which came up with ways to help people use the long-term energy bill savings from home solar to cover the up-front costs of installation.

Shah said he's especially excited about a batch of loan applicants who are part of "virtual power plant" projects. Building a physical power plant is pricey, but a virtual one that can make use of flexibility in energy demand and distributed electricity sources is an attractive alternative. Shah said the concept could make the electric grid cleaner and more efficient by better matching renewable energy with rising power demands.

After a long period of flat demand for power in the U.S., many electric utilities now face a surge in demand as Americans electrify more appliances and cars, [*data centers draw more energy*](https://www.newsweek.com/how-ai-generates-both-climate-pollution-solutions-1880430?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships) and more manufacturing returns to the U.S.—something Shah is quick to point out is tied to Biden's energy and infrastructure policies.

"We're seeing a huge amount of onshoring and restoring of critical minerals processing, battery manufacturing," he said, adding that more than 600 new or expanded manufacturing facilities have been announced since Biden took office, and all those new or growing facilities will need power.

"So, the question becomes, how do we connect them, and do we want to do it in the most expensive way possible—which is sort of the default setting—or do we want to do it in a lower-cost way?" Shah said.

Virtual power plants offer the lower cost route, he argued, by harnessing the potential of two emerging trends in energy use and production. Renewable energy supply is becoming more widely distributed across rooftop solar panels and scattered wind farms, while electricity use is becoming more precisely controlled with new technology.

The advent of smart home thermostat controls and apps to remotely power up appliances presents an opportunity to be smarter about how we manage our collective electricity use.

"If you're willing to allow your loads to be flexible, meaning that your air conditioner doesn't turn on exactly when you get home from work but instead it turns on two hours later, would you be willing to accept a discount in your electricity bill for that level of flexibility?"

That sort of load management could allow electric companies to make better use of available power and potentially reduce the need for more expensive—and potentially polluting—sources of power generation.

Shah said the DOE has been piloting the technology to allow for smarter management of energy demand for years. But putting that technology in place will require a range of companies from appliance makers to utilities to get buy-in from their customers.

"There's a trust-building exercise that needs to happen," Shah said. Some of the pending loan applications are from companies who would build the various systems, and trust, needed to make virtual power plants happen.

**Community-Level Clean Power**

The Greenhouse Gas Reduction Fund, or GGRF, is the single largest section of the Inflation Reduction Act, the Biden administration's signature legislation on climate change.

"In terms of the scale of capital, it's massive," Wise told *Newsweek* in an interview during Earth Week in Washington. The GGRF includes a $14 billion National Clean Investment Fund, a $6 billion Clean Communities Investment Accelerator and a $7 billion Solar for All program.

The 68 winning applicants for the three programs were announced last month and include a mix of state agencies, community-level nonprofits and green banks. The groups will assist with financing for a wide range of clean energy programs such as energy efficiency improvements, upgrades to home heating and cooling systems and rooftop solar installation.

"It's a historic investment in catalytic capital for communities that often haven't had access to that type of capital," Wise said. The EPA projects that each federal dollar the GGRF invests will leverage an additional seven from private capital by attracting investors once the projects get going.

Because the GGRF targets middle- and lower-income communities, it has the potential to greatly expand the health and economic benefits of clean energy. When he [*announced the Solar for All recipients on Earth Day*](https://www.newsweek.com/here-comes-sun-money-biden-launches-7b-solar-all-earth-day-1892904?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships), Biden said the program would create "a little bit of breathing room for folks," and Wise said that's meant both figuratively and literally.

"That's breathing room financially, and that's breathing room for, you know, actual physical breathing," he said.

Lower income communities frequently bear a greater burden of air pollution impacts, and heavy industry, highways and other pollution sources are disproportionately located in communities of color.

Wise is a graduate of Yale's Law and Business Schools and before joining the Biden administration he directed policy at the Coalition for Green Capital, a nonprofit that assists clean energy financing. But Wise said his early background growing up in working-class neighborhoods connects him with the communities the GGRF aims to assist.

"I've seen folks who have struggled to pay the utility bill and mortgage and food bill," he said. The GGRF programs aim to connect climate change to common household concerns like energy bills, drafty windows and bad boilers in basements.

The EPA predicts that the rooftop solar installations under Solar for All will cut energy bills by 20 percent for nearly a million households when people can produce their own solar power rather than buying it all from utilities. Other GGRF programs will assist with efficiency improvements and replacement of faulty furnaces that emit fumes and inflate heating bills.

"Even something as simple as putting a well-working heating and cooling system in someone's home, that can radically transform their life," Wise said.

**Climate Urgency and Congressional Critics**

Wise and Shah have both found themselves squeezed between two imperatives with conflicting timelines: the urgency of fast climate action and the time required for rigorous oversight when spending taxpayer dollars.

The scale of the DOE loans and the speed of GGRF funding have raised concerns among budget watchdogs in Washington. The Inspectors General for both the EPA and DOE have told [*Congress*](https://www.newsweek.com/topic/congress?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships) that they were unsure of their ability to fully monitor the flow of money.

Republican critics in Congress, many from states with fossil fuel interests, have piled on, calling the GGRF a "green slush fund" and raising concerns about potential conflicts of interest that Shah might have with DOE loan recipients he had contact with while in the private sector. Donald Trump has pledged to end Biden clean energy programs if he is elected in November.

Wise and Shah defended their programs' due diligence. The selection of GGRF grant recipients included sound accounting practices, Wise said. According to the DOE, the Loan Programs Office has increased its staff by ten times under Shah's tenure to allow for proper vetting of loan applications.

Jonathan Elkind at Columbia said the Congressional critics are also missing a crucial point about the programs that invest in clean energy.

"This is about positioning U.S. companies to be competitive in what are going to be and already are incredibly competitive global markets," Elkind said, pointing to rapid global growth in renewables, clean manufacturing and the supply chains for components and critical minerals that go into batteries and EVs. "This is really high-stakes stuff for the economy and job creation."

Both Wise and Shah stressed the economic benefit of climate action.

"I am among the folks who see climate change as the existential crisis of our era and also the existential opportunity of our era," Wise said.

Shah said that many of the global clean tech industries such as photovoltaic solar panels are based on technologies originally developed in the U.S., but the businesses that would capitalize on the technology flourished elsewhere thanks to generous government support—especially in China.

"We would rather have America's best innovators and entrepreneurs try to commercialize their technology here at home," Shah said.

As he sizes up the ambitious projects behind the hundreds of loan applicants, Shah said, he realizes not all of them will succeed. "But I think the bigger risk that we face is that we continue 40 years of inventing everything here in the United States and forcing those companies to go to other continents."

[*Link to Image*](https://d.newsweek.com/en/full/2389242/men-moving-biden-climates-agenda.jpg)

**Graphic**

The Men Moving Biden Climate's Agenda

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