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Executive Summary

On April 8, President Donald Trump signed three executive orders designed to bolster the U.S. coal industry, support coal-fired electricity generation, and override state-level initiatives perceived as obstructing domestic energy production. While the specific impacts will depend on forthcoming federal agency actions and regulatory follow-through, these orders collectively signal a major federal push to extend the operational life of coal plants, ease coal mining restrictions, and challenge certain state policies aimed at curbing fossil fuel use. The following are the key points and potential implications of the three executive orders signed this week:

1. **Strengthening the Reliability and Security of the United States Electric Grid**
    a. Key Points
        i. Instructs the Secretary of Energy to develop and use a uniform, nationwide methodology for assessing electricity reserve margins.
        ii. Accelerates emergency orders under Section 202(c) of the Federal Power Act to address rising concerns about reliability and capacity shortfalls.
        iii. Identifies "critical" generation resources (those deemed essential to reliability), requiring them to remain operational rather than retire or convert fuels.
    b. Potential Implications
        i. Delayed retirements of coal plants and other dispatchable capacity (e.g., natural gas steam units) if deemed critical for grid reliability.
            1. EVA's analysis indicates that **around 10.6 GW** of coal plants scheduled to retire or convert to natural gas by the end of 2027 could be extended. These plants represent approximately **40 TWh of generation (about 6% of total coal generation), 23 million tons of coal consumption, and 0.8 BCF/d of natural gas consumption equivalent**. An individual plant list can be provided upon request.
        ii. Greater federal involvement in what have traditionally been utility or regional transmission organization decisions regarding capacity reserves.
        iii. Possible revisions to capacity accreditation that could reduce the reliance on renewables in meeting reserve requirements, particularly if historical performance during severe weather events is emphasized.
2. **Reinvigorating America's Beautiful Clean Coal Industry**
    a. Key Points
        i. Reclassifies coal as a "mineral," granting it benefits previously reserved for critical minerals (e.g., expedited permitting and streamlined environmental reviews).

ii. Ends the federal coal leasing pause known as the "Jewell Moratorium" and directs agencies to process royalty reduction requests, lowering production costs.

iii. Mandates federal agencies to identify and revise or rescind regulations that aim to transition away from coal, including rules on emissions and coal ash disposal.

iv. Promotes coal exports by directing federal agencies to identify new foreign markets and reduce barriers to building or expanding export infrastructure.

b. Potential Implications

i. Extended lifespans and reduced costs for federal coal leases, potentially leading to increased production from mines on public lands.

ii. Rescinding or relaxing environmental regulations on coal-fired plants may reduce compliance burdens but heighten legal and environmental scrutiny.

iii. Increased export capacity, especially to Asia, if infrastructure expansions on the West Coast or elsewhere overcome state-level permitting obstacles.

3. Protecting American Energy From State Overreach

a. Key Points

i. Directs the Attorney General to challenge state and local policies that restrict or penalize domestic energy production, particularly those targeting greenhouse gas emissions, ESG initiatives, or carbon taxes.

ii. Identifies specific state laws—such as climate liability statutes and carbon-trading programs—as potentially preempted by federal authority or unconstitutional.

iii. Requires expedited federal legal action to halt enforcement of these state measures and mandates a report to the President recommending additional legislative or executive steps.

b. Potential Implications

i. Heightened federal–state tensions as the administration contests state and regional programs (e.g., RGGI, California's carbon regulations) in court.

ii. Reduced barriers to fossil fuel infrastructure if successful legal challenges weaken state permitting requirements for pipelines, export terminals, or other energy projects.

iii. Uncertain outlook for climate-focused state initiatives that may now face federal preemption challenges.

Taken together, these orders underscore the administration's intent to **preserve coal-fired generation**, streamline federal and state-level approvals for coal mining, and limit state actions seen as hindering domestic energy development. While coal plant retirements and shifting market forces have reduced coal's share of U.S. power generation in recent years, these orders aim to **extend coal's operational viability** and ensure that states cannot unilaterally curtail fossil fuel use. The actual impact on near-term coal production and plant retirement decisions will hinge on how aggressively federal agencies execute these directives and the extent to which courts uphold or constrain the new mandates.

President Trump Signs Executive Orders Addressing Energy Reliability and Coal Production Industry

On April 8th, President Donald Trump signed three executive orders concerning the U.S. coal and electric power sector, continuing his response to the National Energy Emergency declared on January 20th of this year. Two of the orders focus on supporting the declining coal industry by promoting continued coal-fired power generation and production of the commodity. Emphasizing the importance of maintaining energy reliability, the President directed the Secretary of Energy to conduct a nationwide assessment of electric reserve margins to identify retiring generation units deemed critical. Facilities identified through this study would be required to remain operational. Another order lifted the pause on leasing and permitting of coal mining on federal lands and designated coal as a "mineral" under the Energy Act of 2020. The third executive order addresses state and local policies that discourage or obstruct the development and utilization of domestic energy resources, including oil, natural gas, coal, hydropower, geothermal, biofuels, critical minerals, and nuclear energy.

While the implications of these directives are potentially far-reaching, the immediate impacts remain uncertain. As federal agencies initiate the required studies and policy reviews, the coming months will be critical in determining how these executive actions are implemented and what effect they will have on the energy sector in the near term. Executive orders serve as directives to initiate action, and their influence depends mainly on subsequent administrative and regulatory follow-through.

Strengthening The Reliability And Security Of The United States Electric Grid

The executive order addresses growing electricity demand driven by technological advances, including artificial intelligence, and increased domestic manufacturing juxtaposed by rising concerns about electricity reliability in various regions of the country. It directs the Secretary of Energy to expedite emergency orders under Section 202(c) of the Federal Power Act during anticipated grid disruptions. The order mandates the development of a standardized methodology to evaluate electricity reserve margins uniformly across regions overseen by the Federal Energy Regulatory Commission. It also establishes regular assessment procedures for reserve margins to identify critical generation resources. Additionally, the order seeks to prevent the retirement or fuel conversion of these critical resources to maintain generating capacity and grid reliability.

Key Statements

> *"Sec. 3. Addressing Energy Reliability and Security with Emergency Authority.(a) … the Secretary of Energy, in consultation with such executive department and agency heads as the Secretary of Energy deems appropriate, shall, to the maximum extent permitted by law, streamline, systemize, and expedite the Department of Energy's processes for issuing orders under section 202(c) of the Federal Power Act during the periods of grid operations described above, including the review and approval of applications by electric generation resources seeking to operate at maximum capacity."*

According to the Federal Power Act, Section 202(c) authorizes the Secretary of Energy, during wartime or in situations involving energy emergencies—such as significant increases in electricity demand, energy shortages, or inadequate transmission or generation capacity—to mandate temporary interconnections and order generation, delivery, interchange, or transmission of electricity to best address the emergency and protect public interests.

This directive indirectly references the National Energy Emergency declared by President Trump on January 20, 2025, providing a legal basis for the Secretary of Energy to invoke emergency powers. Consequently, the Department of Energy

could expedite approvals for generation resources awaiting interconnection and accelerate permitting processes for urgently needed expansions in transmission infrastructure to address grid reliability concerns.

"Sec. 3 ...(b) Within 30 days of the date of this order, the Secretary of Energy shall develop a uniform methodology for analyzing current and anticipated reserve margins for all regions of the bulk power system regulated by the Federal Energy Regulatory Commission and shall utilize this methodology to identify current and anticipated regions with reserve margins below acceptable thresholds as identified by the Secretary of Energy. This methodology shall:

I. Analyze sufficiently varied grid conditions and operating scenarios based on historic events to adequately inform the methodology;

II. Accredit generation resources in such conditions and scenarios based on historical performance of each specific generation resource type in the real time conditions and operating scenarios of each grid scenario; and
(iii) be published, along with any analysis it produces, on the Department of Energy's website within 90 days of the date of this order."

Section 3(b) of the executive order directs the Secretary of Energy, within 30 days, to develop a standardized methodology for assessing both current and anticipated electricity reserve margins across all regions regulated by the Federal Energy Regulatory Commission (FERC). The methodology must comprehensively evaluate diverse grid conditions and operational scenarios derived from historical events. Generation resources are to be accredited based on their historical operational performance under these specific real-time conditions and scenarios. Additionally, the order requires publication of the finalized methodology and its analytical results on the Department of Energy's website within 90 days, explicitly aiming to identify regions with reserve margins below acceptable thresholds.

Significantly, this requirement instructs the Department of Energy—and indirectly involves FERC—to undertake an analysis traditionally conducted independently by utilities and Independent System Operators or Regional Transmission Organizations (ISO-RTOs). Such an analysis typically underpins regional determinations of reserve margins and influences decisions regarding the approval or denial of plant retirements. This federal-level intervention may offer an opportunity to standardize or redefine what constitutes acceptable reserve margins nationwide.

Furthermore, while natural gas generation increasingly replaces coal as a primary dispatchable resource across various regions, this mandated evaluation of historical resource performance may prompt renewed scrutiny regarding natural gas reliability, particularly following recent extreme weather events like the January 2025 Polar Vortex and Winter Storm Elliott. These events highlighted vulnerabilities and volatility within natural gas supply chains, subsequently impacting generation reliability. Additionally, the reassessment may lead to adjustments in accredited capacity values for renewable resources, notably wind and solar, given their historically variable performance during severe weather conditions. Reliability challenges have already influenced capacity accreditation processes such as PJM's Effective Load Carrying Capability (ELCC), which assigns solar generation a notably low 8% capacity credit, one of the lowest nationwide. These reliability concerns have directly contributed to delayed retirements of coal resources in regions such as PJM, where the ISO extended the life of two coal plants through so-called Reliability-Must-Run (RMR) agreements while it addresses the underlying reliability concerns.

"Sec. 3 …(c) The Secretary of Energy shall establish a process by which the methodology described in subsection (b) of this section, and any analysis and results it produces, are assessed on a regular basis, and a protocol to identify which generation resources within a region are critical to system reliability. This protocol shall additionally:

I. Include all mechanisms available under applicable law, including section 202(c) of the Federal Power Act, to ensure any generation resource identified as critical within an at-risk region is appropriately retained as an available generation resource within the at-risk region; and

II. Prevent, as the Secretary of Energy deems appropriate and consistent with applicable law, including section 202 of the Federal Power Act, an identified generation resource in excess of 50 megawatts of nameplate capacity from leaving the bulk-power system or converting the source of fuel of such generation resource if such conversion would result in a net reduction in accredited generating capacity, as determined by the reserve margin methodology developed under subsection (b) of this section."

Section 3(c) of the executive order builds upon the directive outlined in Section 3(b), instructing the Secretary of Energy to regularly assess the uniform reserve-margin methodology and its resulting analyses. It further requires establishing a clear protocol to identify generation resources deemed critical for maintaining regional system reliability. The order mandates employing all mechanisms legally available—including powers under Section 202(c) of the Federal Power Act—to retain critical generation resources within identified at-risk regions.

The executive order explicitly empowers the Secretary of Energy to intervene to prevent the retirement or fuel conversion of generation resources exceeding 50 megawatts in nameplate capacity if such actions would result in a net reduction in accredited generating capacity according to the new reserve-margin methodology.

Although the executive order does not explicitly reference coal-fired plants, the broader context and implications strongly suggest it targets imminent coal retirements. This interpretation aligns with President Trump's remarks made during the announcement of the order, explicitly referencing the planned retirement of the Cholla coal plant (380 MW) in Arizona, scheduled for closure by the end of April 2025. Moreover, coal plants constitute a significant majority of upcoming announced retirements, reinforcing the intended focus of this provision.

However, practical considerations remain. While this order, supported by the National Energy Emergency declaration, provides authority for federal intervention under Section 202(c), numerous planned plant retirements already have replacement capacity projects underway. Some of these projects leverage existing infrastructure from retiring coal facilities, such as the Intermountain coal plant scheduled to be replaced with a combined cycle plant at the same site midway through this year. Additionally, several coal plant retirements are driven by state legislation or legal settlements, complicating potential federal efforts to reverse or delay closures based solely on reliability grounds.

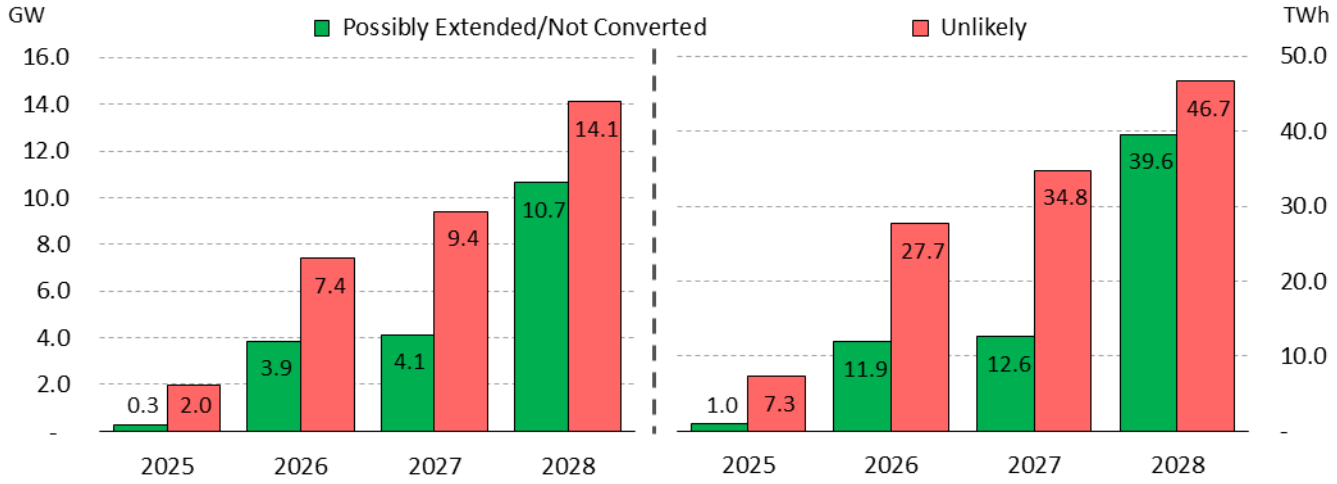
E.O. Impact on Coal and Other Fossil Fuel Retirements

To analyze the potential impact of the Reliability Executive Order and the possible delay of planned coal and other fossil fuel plant retirements, EVA assessed barriers and the likelihood of retirement delays for each coal plant scheduled to close by the end of 2027 (an expanded analysis for all plants scheduled to close before the end of the decade is forthcoming). Potential barriers to coal plant extensions include existing court or PUC settlements or new capacity built on-site that plans to utilize the existing interconnection and transmission infrastructure freed up by the plant retirement. For instance, at the Intermountain coal plant, which is scheduled to close in June 2025, a new 840 MW natural gas combined cycle plant

is nearing commercial operation and will take over the existing switchyard and much of the transmission capacity connecting the existing coal plants to their primary customers in California. The detailed assessment is included in this memo.

Based on our initial analysis of the nearly 25 GW of coal plants scheduled to close between April 2025 and December 2027, about 14 GW, or 57%, are unlikely to shut down despite the recently announced executive orders due to existing barriers that hinder retirement. Conversely, **about 8.4 GW are likely to extend operations**, assuming the executive orders will lead to the tolling of existing Coal Combustion Residuals (CCR) and Effluent Limitation Guidelines (ELG) deadlines as part of their retirement categories. Furthermore, around **2.2 GW of coal plants** previously planned to convert from burning coal to burning natural gas **might reconsider their conversion plans**, permitting additional coal burn and decreasing natural gas consumption. Collectively, **the plants likely being extended or not converted account for approximately 40 TWh of generation (~6% of total coal generation), 23 million tons of coal burn, and 0.8 BCF/d of natural gas burn equivalent.**

Impact of Relibaility E.O. on Planned Coal Plant Retirements - Capacity (left) & Generation (right)



Source: EVA analysis of EVA's Power Plant Tracking Database

Lastly, since the Reliability Executive Order is fuel-neutral, it is also important to note that approximately 10 GW of natural gas and oil-fired generating units scheduled to retire by the end of 2027 may also receive extensions. Of the 10 GW, more than 8 GW consists of natural gas steam boilers, some of which were previously converted from coal units (e.g., North Omaha 1-3 and Greene County 2). If the DOE's upcoming reliability analysis determines that these plants are essential for maintaining grid reliability and meeting future electricity demand growth, an operational extension of these resources may also be possible.

Reinvigorating America's Beautiful Clean Coal Industry and Amending Executive Order 14241

This directive aims to bolster the U.S. coal industry by designating coal as a "mineral," thereby facilitating its production under existing mineral production policies. It mandates federal agencies to assess coal reserves on public lands, expedite coal leasing, and remove regulatory barriers to coal mining. The order also seeks to promote coal exports, support coal-fired power generation, and encourage the development of coal technologies. Additionally, it emphasizes the role of coal in meeting the rising electricity demand from sectors like artificial intelligence and data centers. The order modifies prior executive actions and directs agency heads to align implementation with national energy security goals. It also instructs the Secretary of the Interior to resume processing royalty reduction requests from federal coal lessees.

Key Statements

> *"Sec. 3. Strengthening Our National Energy Security. The Chair of the National Energy Dominance Council (NEDC) shall designate coal as a "mineral" as defined in section 2 of Executive Order 14241 of March 20, 2025 (Immediate Measures to Increase American Mineral Production), thereby entitling coal to all the benefits of a "mineral" under that order."*

The executive order reclassifies coal as a "mineral" by aligning it with the broadened definition of "mineral" established in Executive Order 14241, which includes critical minerals such as lithium and rare earth elements. This change grants coal access to policy benefits such as expedited permitting, streamlined federal reviews, and broader agency support. It elevates coal's status from a conventional energy source to a strategic national asset, emphasizing its role in national defense and industrial policy. Federal agencies, including DOI, DOE, and EPA, are now required to treat coal similarly to other minerals in their permitting, leasing, and environmental review processes. Further agencies are directed to assess if metallurgical coal used in steelmaking should be considered a critical mineral, thus elevating its strategic importance and potentially qualifying it for additional federal support and prioritization.

In this order, the administration has tried to lower the environmental scrutiny associated with coal mining and production. Section 5 of the executive order marks a policy shift away from the coal leasing pause initiated under the Obama administration. The "Jewell Moratorium" mentioned in the document refers to a 2016 initiative under Secretary Sally Jewell that paused new federal coal leasing while a programmatic Environmental Impact Statement (EIS) was prepared to evaluate the leasing program's climate and environmental impacts. The passage directs the Secretary to acknowledge the end of this moratorium by formally terminating the ongoing EIS by publishing a notice in the Federal Register. The Secretary is further instructed to process royalty rate reduction applications from federal coal lessees, which will result in lower production costs for coal companies, thus potentially improving the economic viability of federal coal leases.

In his address, President Trump highlighted the potential revitalization of Montana's Spring Creek coal mine, which, along with the Bull Mountains coal mine, is situated west of the Mississippi River —a region where federal coal leasing policies have a significant impact. The recent executive order aims to ease regulatory barriers, potentially facilitating the continued operation and expansion of these mines. While this may introduce short-term uncertainties, the long-term viability of these operations will largely depend on global coal demand, given that both mines export a significant portion of their production to overseas markets in Asia. This revision in the leasing procedure will potentially result in the resumption of leasing for mines in the Powder River Basin (PRB), which were projected to deplete economically recoverable coal in the early 2030s due to the Jewell Moratorium.

> *"Sec. 6. Supporting American Coal as an Energy Source. (a) Within 30 days of the date of this order, the Administrator of the Environmental Protection Agency, the Secretary of Transportation, the Secretary of the Interior, the Secretary of Energy, the Secretary of Labor, and the Secretary of the Treasury shall identify any guidance, regulations, programs, and policies within their respective executive department or agency that seek to transition the Nation away from coal production and electricity generation.*
>
> *(b) Within 60 days of the date of this order, the heads of all relevant executive departments and agencies (agencies) shall consider revising or rescinding Federal actions identified in subsection (a) of this section consistent with applicable law."*

Section 6 reinforces the administration's policy direction by instructing federal departments and agencies to identify and review existing regulations or policies that seek to transition the nation away from coal production and coal-fired electricity generation. Where consistent with their statutory authority, agencies are directed to propose revisions or rescind such policies, with the aim of eliminating disincentives to coal investment and ongoing operations.

In line with this mandate, President Trump issued a proclamation addressing the 2024 amendment to the Mercury and Air Toxics Standards (MATS), which had established a compliance deadline of July 8, 2027. Citing the disproportionate burden imposed by the rule on coal-fired power plants, the proclamation exempts certain stationary sources from compliance for an additional two years, extending the deadline to July 8, 2029 (the Exemption).

Following the issuance of the proclamation, the Environmental Protection Agency (EPA) reaffirmed its intention to revisit regulations and policy frameworks that may act as barriers to American coal production and coal-fired generation. Among the key rules under reconsideration are the 2024 MATS rule, the proposed 'Clean Power Plan 2.0,' (also known as the 2024 GHG Rule), and the 2024 Effluent Limitation Guidelines (ELG), compliance with which would place substantial financial and operational pressure on the remaining coal fleet. Additional policy mechanisms under review include the National Ambient Air Quality Standards (NAAQS) and the Regional Haze program, both of which have been flagged for their potential to constrain coal generation through indirect regulatory effects.

Similarly, Section 8 directs agencies to identify and adopt categorical exclusions under the National Environmental Policy Act (NEPA) for coal-related activities. This would allow qualifying projects to bypass more extensive environmental review requirements, thereby reducing permitting delays and accelerating project timelines.

> *"Sec. 7. Supporting American Coal Exports. The Secretary of Commerce, in consultation with the Secretary of State, the Secretary of Energy, the United States Trade Representative, the Assistant to the President for National Security, and the heads of other relevant agencies, shall take all necessary and appropriate actions to promote and identify export opportunities for coal and coal technologies and facilitate international offtake agreements for United States coal."*

Amid rising trade tensions and the imposition of tariffs on various countries, many U.S. trading partners are actively seeking to secure more favorable terms. This section positions coal exports as a strategic instrument within broader trade negotiations, offering a means to help balance trade flows while enhancing the international footprint of U.S. coal. In particular, expanded coal trade can serve as a tool of economic alignment with key allies in Asia, reinforcing both energy security and the broader strategic message that the United States remains a committed partner in supporting regional stability and shared security interests.

Through this executive order, in conjunction with the directive on state overreach (discussed below), the Trump administration is signaling a concerted effort to expand U.S. coal exports globally. Currently, the United States operates seven coal export terminals, with only two located on the U.S. West Coast (significant U.S. coal is being exported through the Westshore Coal Terminal in Vancouver, BC, Canada). Given that East Coast terminals are already operating at or near peak capacity, maintaining operational West Coast terminals is critical to supporting increased export volumes.

However, the Richmond-Levin Coal Terminal in the San Francisco Bay area is scheduled to cease operations by 2026, a development that could significantly hinder the administration's coal export objectives, particularly as the majority of future demand is expected from Asian markets. The potential closure of this terminal could therefore undermine U.S. ambitions to strengthen its position as a reliable energy supplier in the Indo-Pacific region.

Additionally, PRB coal currently destined for Asia is transported north to Vancouver, Canada, before being shipped overseas—a logistically inefficient and costly route. As the administration seeks to encourage more coal imports by

overseas trading partners such as Japan, South Korea, and Taiwan, facilitating direct access to Pacific export routes becomes essential. In this context, federal support for advancing the long-delayed Millennium Bulk Terminal in Washington State, currently blocked by state-level permitting decisions, could play a pivotal role in overcoming infrastructure and regulatory barriers and potentially revitalize the thought-dead project.

Protecting American Energy From State Overreach

This executive order directs the Attorney General to identify and challenge state and local policies that may unconstitutionally restrict domestic energy production. The order specifically targets regulations related to climate change, environmental justice, and carbon emissions that could interfere with national energy objectives. It emphasizes the need to prevent state-level actions that raise energy prices, limit energy infrastructure development, or threaten the reliability of energy supply. By curbing what it characterizes as state overreach, the administration seeks to reinforce federal authority over energy policy and promote affordable, reliable, and secure energy resources for American consumers and industries.

Key Statements

"Sec. 2. State Laws and Causes of Action.

a) The Attorney General, in consultation with the heads of appropriate executive departments and agencies, shall identify all State and local laws, regulations, causes of action, policies, and practices (collectively, State laws) burdening the identification, development, siting, production, or use of domestic energy resources that are or may be unconstitutional, preempted by Federal law, or otherwise unenforceable. The Attorney General shall prioritize the identification of any such State laws purporting to address "climate change" or involving "environmental, social, and governance" initiatives, "environmental justice," carbon or "greenhouse gas" emissions, and funds to collect carbon penalties or carbon taxes.

b) The Attorney General shall expeditiously take all appropriate action to stop the enforcement of State laws and continuation of civil actions identified in subsection (a) of this section that the Attorney General determines to be illegal.

c) Within 60 days of the date of this order, the Attorney General shall submit a report to the President, through the Counsel to the President, regarding actions taken under subsection (b) of this section. The Attorney General shall also recommend any additional Presidential or legislative action necessary to stop the enforcement of State laws identified in subsection (a) of this section that the Attorney General determines to be illegal or otherwise fulfill the purpose of this order."

Section 2 of the executive order directs the Attorney General, in coordination with relevant federal agencies, to identify state and local laws, regulations, or legal actions that may unconstitutionally restrict the identification, development, siting, production, or use of domestic energy resources. Priority is placed on state actions related to climate change, ESG initiatives, environmental justice, and carbon-related measures. The Attorney General is instructed to take prompt legal

action to halt the enforcement of any such laws deemed unlawful and must report to the President within 60 days, including any recommended legislative or executive measures necessary to fulfill the order's objectives.

Examples of 'state overreach' are explicitly cited in the executive order itself, including references to New York's recently enacted climate liability law, which seeks to impose retroactive financial penalties on energy producers for their historic contributions to greenhouse gas emissions, not only within New York but across the United States and globally. Vermont is similarly noted for pursuing financial claims tied to past emissions. The order also highlights California's carbon trading policies and aggressive emissions caps, alleging that they impose de facto penalties on carbon use and create costly compliance burdens. Additionally, the order criticizes certain states for using permitting delays as barriers to energy infrastructure development and for pursuing climate-related litigation under nuisance or tort-based legal frameworks that could result in significant financial exposure for energy producers.

While the executive order references certain policy areas explicitly, a broader range of state and local programs could fall within its scope based on the action items outlined. With specific mention of carbon-related initiatives, multi-state carbon trading programs such as the Regional Greenhouse Gas Initiative (RGGI) and the Western Climate Initiative (WCI) may be subject to federal scrutiny. RGGI, as a cooperative emissions market among Northeastern states, could be construed as placing "illegitimate impediments" on the use of domestic energy resources—namely natural gas and coal—while potentially discriminating against out-of-state energy producers, raising questions of federal preemption and interstate commerce. The WCI, which includes California and Quebec and may soon link with Washington's emissions market, could present similar legal grounds for federal intervention, with the additional complexity of cross-border coordination and potential implications for international trade.

Within individual states, policies like California's Low Carbon Fuel Standard (LCFS), which mandates reductions in the carbon intensity of transportation fuels, may be challenged if they are interpreted as burdening interstate commerce or disadvantaging non-California fuel producers. Local ordinances and statewide measures restricting the construction of new fossil fuel infrastructure—such as bans on natural gas hookups in parts of California and Massachusetts—may be viewed as obstructing access to reliable energy. Additionally, climate disclosure mandates like those in California's recent climate accountability legislation could be framed as imposing undue compliance costs on energy producers and investors. State-level restrictions on oil and gas production, such as moratoria on hydraulic fracturing in New York and Maryland or limitations on leasing state lands for development, could also be interpreted as undermining national energy objectives. Past examples, such as New York's denial of Section 401 Clean Water Act permits to halt interstate natural gas pipeline projects like the Constitution Pipeline, may be used to support arguments of unlawful interference with federally regulated infrastructure.

Policies "purporting to address climate change," or related to environmental, social, and governance (ESG) goals, environmental justice, greenhouse gas emissions, and carbon taxation, are prioritized under the order and likely to face federal legal challenges. However, since states retain broad jurisdiction over in-state energy and environmental regulation, the actual impact of this executive order will largely depend on judicial determinations regarding the limits of federal authority and the constitutionality of specific state actions.