

Analyzing Foreign and Domestic Policy to Determine a Pathway to Achieving the US' NDC with a Focus on Advanced Reactors and Hydrogen

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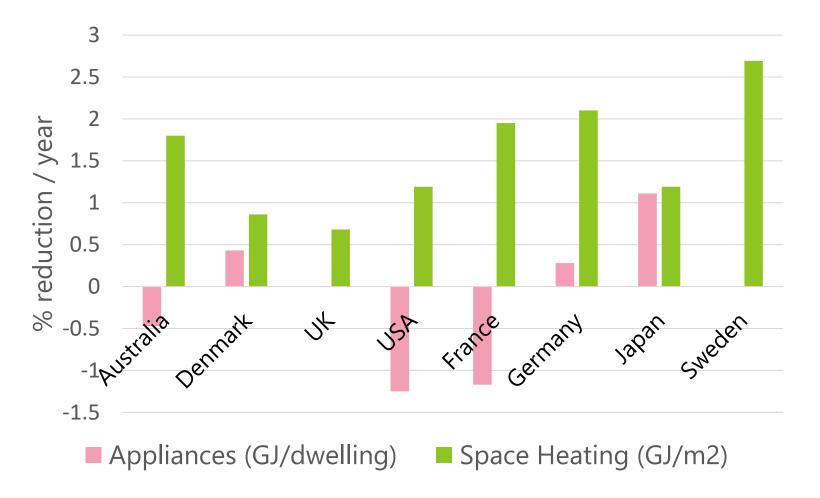
The United States recently set out a nationally determined contribution(NDC) with a goal to achieve 50% emissions reductions in 2030 compared to 2005, representing a 1,868.5 MtCO2 reduction from 2021. Current US policy does not put us on a track to achieve this goal. However, by analyzing global policy and determining the most ambitious policies in each sector, a pathway for the US to meet 50% emissions reductions can be created. The most significant policies are discussed below.

Efficiency

Stricter appliance standards like in Japan and mandatory building codes as used in Sweden and Germany can improve US building efficiency.

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Average Energy Intensity Reduction



Furthermore, electric vehicle adoption in the US is hindered by a 200,000-car limit for manufacturers to receive subsidies. Removing this constraint will level the playing field and further the transition to EV. Finally, as is done in Denmark, mandatory energy audits can reduce energy intensity in industry.

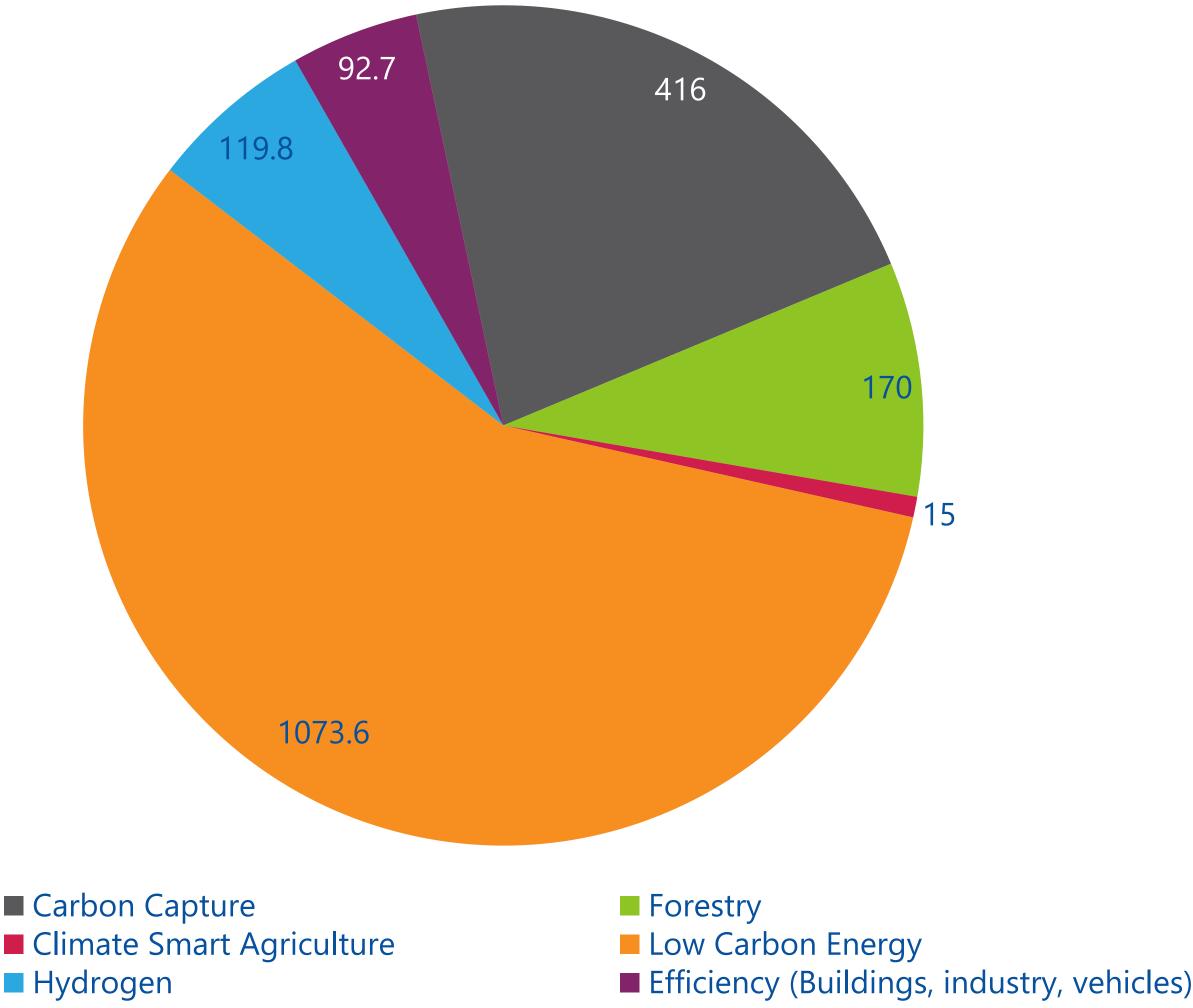
Hydrogen

Development of hydrogen hubs can help make innovation cheaper. As seen in Canada, a focus on production is essential. As demandside technology reaches the commercial level, hydrogen needs to be cheap for industry to consider using it over fossil fuels. Excess hydrogen can be blended in natural gas pipelines up to 20% without infrastructure changes, as Australia plans to do.

Renewables

The UK and Germany have seen impressive progress in renewable growth by switching from flat subsidies to renewable auctions. These drive down costs while continuing to promote growth. Germany even saw some subsidy auctions reach \$0 bids. Adopting auctions in the US can drive affordable renewable development.

Emissions Reductions from 2021 to 2030 (MtCO2 per year)



Net decrease in CO₂ emissions in major US sectors achieved between 2021 and 2030 assuming policies discussed are enacted

Carbon Capture

The carbon capture tax credit has already driven many project announcements, and a larger credit could increase development even faster. Allowing smaller firms to receive the subsidy would also help development. One area that lacks support is transmission. In the UK, upfront funding is given to first developers to help alleviate FOAK costs. Doing this in the US will ensure projects can transport carbon to storage sites. Regulated rates of use for transmission can also be developed to prevent monopolistic practices.

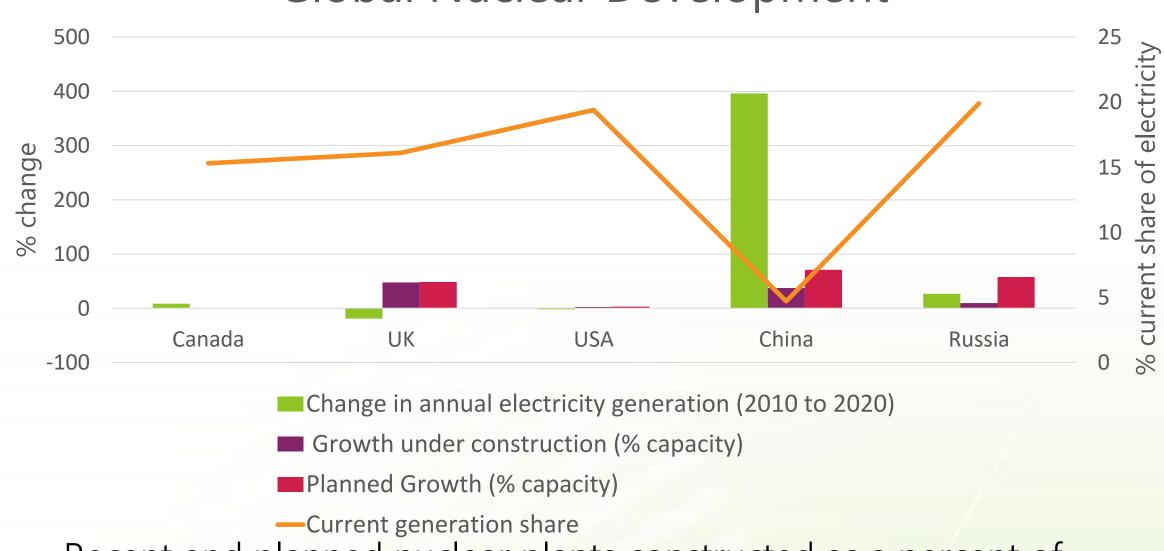
Forestry

As seen in China, financial incentives for tree planting can be highly effective. Subsidies for seedlings, planting, and post planting measures can collectively boost the rate of afforestation in the US.

Climate Smart Agriculture

Climate smart agriculture(CSA) is a broad assortment of practices that improve on efficiency compared to conventional farming, with the bonus of helping to reduce emissions. The USDA's plan to implement CSA is effective. By using a flexible approach, the most efficient practices can be determined at a local level. In this sector, effectiveness of practices vary greatly, so adaptability is key.

Global Nuclear Development



Recent and planned nuclear plants constructed as a percent of current capacity and percent of total electricity generated from nuclear.

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Nuclear

There is high risk associated with nuclear investment in the US. Despite a loan guarantee policy, there has been little investment in commercial nuclear this century. In other countries, this risk is reduced by substantial financing efforts, either low interest loans or direct funding. Major low interest loans can renew nuclear development in the US. However, certain steps are needed to ensure rapid progress. Profiting in the event of a failed project, which has occurred in certain regulated regions in the US, which needs to be avoided in order to ensure further interest in success. To avoid FOAK costs, experienced managers should be hired to work on plant designs already constructed. Efficient construction practices, quick regulatory approvals, and lack of design changes after construction will further reduce costs and time. An increase in nuclear can provide consistent, reliable energy to facilitate a transition away from coal, driving major emissions reductions.

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