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THE SURGE

BY THE COMPETITIVE ENTERPRISE INSTITUTE

Welcome to the latest edition of *The Surge*! In this edition:

- Congress passes CRA resolutions rescinding California car waivers
- CEI experts testify at hearings on repealing the IRA and using public land to power the grid
- President Trump issues executive order improving scientific integrity

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Senate Passes CRA Resolutions on California Waivers

The Senate followed the lead of the House and passed three Congressional Review Act resolutions rescinding the Biden EPA's waivers allowing California to reshape the nation's car and truck industry. One of the resolutions blocks a waiver allowing California and its blue state allies from banning the sale of new gas-powered cars by 2035. This wasn't a de facto ban, but a full ban. Eleven states and DC had already agreed to follow California's lead, and, practically, these actions would have had a national effect. This is a big win for Americans. Lawmakers supporting the CRA resolutions defended freedom, consumer choice, and the rule of law. They should be commended. The lawmakers voting against the resolutions apparently are fine with gas car bans. That's the bottom line regardless of how they try to spin it.

Read More

- [CEI leads coalition letter supporting Senate CRA votes against EPA California waivers](#)
- [Senate votes to rescind the Biden EPA's California waiver on gas-powered cars](#)
- [CEI sends letter to Senate regarding California waiver CRA resolutions](#)
- [Senate pulls plug on California's gas car ban](#)

DOJ Task Force is Right: Government Policies Hinder Competition in the Energy Market

The US Department of Justice's [Anticompetitive Regulations Task Force](#) was recently accepting comments from the public on laws and policies that hurt competition. The comment period closed on May 27. The Task Force "advocates for the elimination of anticompetitive state and federal laws and regulations that undermine free market competition and harm consumers, workers, and businesses." This is a great mission because it recognizes how the government hinders competition. When it comes to energy laws and regulations, it isn't difficult to find harmful policies. Too often, subsidies don't get the proper attention, but they are a prime example of the government hurting competition. For example, some of the IRA's "green" subsidies are intended to shift the country away from reliable sources of electricity, reducing competition and driving up prices. The subsidies are not just giving help to certain industries but also trying to determine what competitors will be left standing in the electricity marketplace.

Read More

- [CEI Comments to Department of Justice Anticompetitive Regulations Task Force](#)
- [Eight energy policies that reduce competition and increase energy prices](#)

CEI Experts Testify on the IRA and Powering AI

[Testimony of Ben Lieberman](#)

On May 20th, the House Committee on Oversight and Government Reform held a hearing entitled, "Mandates, Meddling, and Mismanagement: The IRA's Threat to Energy and Medicine." CEI Senior Fellow Ben Lieberman provided testimony on the adverse impacts of the Inflation Reduction Act's subsidies for alternative energy sources and technologies. Lieberman noted that these subsidies are proving far costlier than originally estimated, and that the energy alternatives favored under them are creating serious problems throughout the economy, such as the threat to the reliability of the grid from intermittent wind and solar. Lieberman concluded that these subsidies harm American's twice, first as taxpayers having to foot the potentially trillion dollar bill and then as consumers in the form of higher utility bills and reduced quality and choice for many energy using products.

Watch the Testimony

- [Testimony of Ben Lieberman: Mandates, Meddling, and Mismanagement](#)

[Testimony of Paige Lambermont](#)

On May 21st, CEI Research Fellow Paige Lambermont testified at a hearing of the Natural Resources Committee Subcommittee on Oversight and Investigations titled "Unleashing a Golden Age: Examining the Use of Federal Lands to Power American Technological Innovation. In her testimony she made three main points:

1. Power demand from AI is rising, revealing underlying issues on the power grid.
2. There are legislative and regulatory actions that can be taken to meet this demand.
3. Our public lands and Department of Energy sites can play a vital role in meeting this challenge.

Watch the Testimony

- [Testimony of Paige Lambermont: Use of Federal Lands to Power American Technological Innovation](#)

President Trump Issues Important Executive Order to Improve Scientific Integrity at Federal Agencies

On May 23, 2025, President Trump issued [Restoring Gold Standard Science](#), an executive order (EO) that requires federal agencies to prioritize transparency, reproducibility, objectivity, and accuracy in their funding, assessment, and dissemination of policy-relevant science. The EO orders agency heads “to encourage the open exchange of ideas, provide for consideration of different or dissenting viewpoints, and protect employees from efforts to prevent or deter consideration of alternative scientific opinions.” The EO represents a sea-change in national policy. It directly confronts the “reproducibility crisis” of modern science rather than sweeping it under the rug, as the previous administration did. It disfavors agency reliance on unrealistic models, scenarios, and assumptions, and identifies data concealment, data manipulation, and selective results reporting as scientific malpractices.

Read More

- [Restoring Gold Standard Science executive order directly confronts the reproducibility crisis in scientific research](#)

- [Modernizing EPA Science Policies](#)

Congress Needs to Repeal IRA's "Green" Tax Credits, Not Phase Them Out

Many of the Inflation Reduction Act (IRA) tax credit reforms that exist in the House version of the [One Big Beautiful Bill Act](#) comes through early phaseouts of these credits instead of immediate repeal. Time and again, subsidy mechanisms like tax credits and production mandates are introduced with specific expiration dates or phase-down schedules, framed as temporary boosts for nascent technologies or short-term solutions to specific problems. Yet, history shows these policies are not temporary, with Congress granting “temporary” extensions year after year after year. Leaving these credits in place for several more years runs the risk of them never truly going away. Phasing out these credits isn’t undoing the Green New Deal. It may or may not be a small step forward, but regardless, it isn’t nearly what is needed.

Read More

- [Congress needs to do more to address the IRA energy tax credits](#)

Spanish Blackout Should Serve as a Warning

Spain experienced a nearly unprecedented blackout on April 29. Spain has a particularly high penetration of wind and solar on its grid. Fifty-six percent of the country’s electricity came from these sources in 2024, with a target of 81 percent by 2030. Just 12 days before the blackout, Spain announced that for the first time renewables were meeting 100 percent of demand (albeit on a weekday and only for a short while). At the time of the blackout, 70 percent of Spain’s total power came from wind and solar. Following the blackouts, a Reuters report entreated readers not to blame renewables for the blackout, stating that “reliance on renewables is not to blame. Rather, the issue appears to be the management of renewables in the modern grid.” This characterization fails to realize that the management of renewables is a problem of renewables themselves. They are fundamentally different than other sources of electricity and require different systems to function optimally. But the very expensive systems already in place would require equally expensive alternatives to prevent this sort of thing from happening in the future.

Read More

- [Spanish blackout should serve as a warning](#)

FEATURING OUR FRIENDS

[CFACT Tells the Feds to Reform the Endangered Species Act](#), Craig Rucker, CFACT.

[The Ongoing Collapse of the Climate Litigation Game](#), Benjamin Zycher, American Enterprise Institute.

[House's Tax Bill is a Win for Energy Abundance; Now it's the Senate's Turn](#), Thomas J. Pyle, Institute for Energy Research.

[Financials Shift from 'Green' Agenda to Greenbacks](#), Vijay Jayaraj, CO2 Coalition.

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