

TRIBAL BUSINESS NEWS

Tribal clean energy projects halted as EPA cuts \$1.5B in grants for Indian Country

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EPA Administrator in a YouTube video on March 11, 2025, announcing the termination of grant agreements under two EPA programs. (Photo: YouTube Screenshot)

BY BRIAN EDWARDS |

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The Environmental Protection Agency has terminated \$20 billion in clean energy funding agreements, including \$1.5 billion earmarked for Indian Country, amid lawsuits from grant recipients and escalating political tension.



In a [YouTube video](#) and [news release](#) EPA Administrator Lee Zeldin announced the decision to end the grants to eight organizations under its National ~~Clean~~ Investment Fund (NCIF) and Clean Communities Investment Accelerator (CCIA) programs, describing them as a “gold bar” scheme from the Biden administration.

The announcement came hours after Democratic lawmakers on the House Energy and Commerce Committee sent a [scathing letter](#) to Zeldin accusing the agency of conducting a "smear campaign" against the program and its awardees without providing "credible evidence or justification" for freezing the grant funds over several weeks.

According to the EPA's announcement this evening, the previous administration “parked tens of billions of taxpayer dollars at an outside financial institution in a manner that deliberately reduced the ability of EPA to conduct proper oversight.”

The EPA said it plans to re-obligate the funds with “enhanced controls to ensure adequate governance, transparency, and accountability, consistent with statutory requirements.”

Zeldin’s announcement follows two federal lawsuits filed over the past four days by NCIF grant recipients, demanding the release of nearly \$12 billion in EPA funding that they say has been illegally frozen.

On Saturday, Bethesda, Md.- based Climate United Fund [sued Zeldin, the EPA and Citibank](#) in a Washington, D.C. federal court. The nonprofit fund, which was granted \$6.97 billion under the NCIF program, [alleges in the lawsuit](#) that the EPA prevented Citibank from disbursing funds, harming Climate United, its borrowers, and the communities it serves.

On Monday, the Coalition for Green Capital, which received \$5 billion from the NCIF program, filed litigation against Citibank in federal court in New York, alleging breach of contract for refusing to disburse the EPA grant funds.

This evening, the EPA responded to Climate United’s lawsuit with a filing that included a copy of the agency’s [termination notice](#) to the nonprofit. The letter comes just one day before Judge Tanya Chutkan of the U.S. District Court for the District of Columbia is scheduled to hear Climate United’s request for an order directing Citibank to release its frozen funds. Signed by Acting Deputy Administrator W.C. McIntosh, the letter orders Climate United to "cease all further program expenditures immediately" and provide a full accounting of its spending, citing "substantial concerns" about program integrity and oversight mechanisms.

In the video announcement, Zeldin said, “I have officially terminated these grant agreements entirely. Not only does EPA have full authority to take this action, but frankly, we were left with no other option.”

For Indian Country, the termination of EPA's grant funding represents a significant setback for tribes’ energy sovereignty efforts, as projects and development programs have been halted in response. The funding of the eight nonprofit recipients included \$1.5 billion in clean-energy funds for Native communities. [\\$1.5 billion allocated to](#)



According to EPA documents, the NCN funds would have financed distributed energy projects, net-zero buildings, and zero-emissions transportation projects in tribal communities that face some of the nation's highest energy costs. The national nonprofit for Native CDFIs had been preparing to distribute this capital to its network of 63 community lenders serving both rural reservation and urban Native communities, with projects already identified and awaiting funding.

Climate United's lawsuit also details significant impacts on Native communities from the freeze of its EPA funds. According to the complaint, Climate United has already committed \$63 million in pre-construction financing for solar power plants in partnership with tribal governments and communities, with initial projects planned in Eastern Oregon and Idaho that would bring affordable energy access to rural and Indigenous communities.

Additionally, the nonprofit launched the Climate United NEXT program, which includes a pre-development grant program providing up to \$30 million in technical assistance for community-led projects. After reviewing 104 applications in its first round, which specifically focused on tribal communities, Climate United approved 22 awards to tribes and Native-serving organizations across 18 states and anticipates issuing \$6.35 million in initial awards.

Multiple tribal energy projects that were in development have now been abruptly halted. Leaders from several tribal nations expressed shock and frustration as planned solar installations, energy efficiency upgrades, and critical infrastructure improvements must now be indefinitely postponed or abandoned entirely.

About The Author

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