

BRIEF ON CLIMATE & SUSTAINABILITY (6.26)

DEVELOPMENTS IN CONGRESS

- House Democrats Introduce Tax Package Promoting Clean Energy. Nearly 50 House Democrats
 on Thursday introduced a long-awaited package of clean energy tax incentives to accelerate
 wind, energy, and other low-emission energy sources.
 - The <u>Growing Renewable Energy and Efficiency Now Act</u> (GREEN Act) is endorsed by dozens of clean energy and environmental groups and would extend federal tax incentives for wind and solar production and resurrect tax credits for zero-emission battery vehicles. Its sponsor is House Ways and Means Select Revenue Measures Subcommittee Chairman Mike Thompson (D-Calif.)
- "The New New Deal." An idea based on the Civilian Conservation Corps formed under former President Franklin D. Roosevelt is gaining traction on Capitol Hill. The idea calls for spending billions of dollars on conservation priorities ranging from forest management and public lands maintenance to coastal restoration and cleaning up abandoned mines.
 - A variety of proposals for the potential program have been floated in both the House and Senate, including legislation, S. 3684, from Sen. Ron Wyden (D-Ore.) that would provide billions toward creating a corps with a focus on reducing wildfire risks, and a push for House leadership to include \$125 billion for a "21st Century Civilian Conservation Corps" in recovery legislation.
- Senators Ask to Add Nuclear Support To NDAA. Sens. Lisa Murkowski (R-Alaska) and Cory Booker (D-N.J.) joined 18 of their colleagues in asking the Senate Armed Services Committee to include provisions supporting advanced nuclear power in the annual defense authorization bill now under consideration.
 - The group asks Armed Services Chair Jim Inhofe (R-Okla.) and top committee Democrat Jack Reed (D-R.I.) to include the provisions in the Nuclear Energy Leadership Act, S. 903 (116), which helps create a domestic fuel chain to create the specialized uranium needed in advanced reactors, and authorizes more research into new nuclear technology.
- House to Vote on Lands Package in July. House Majority Leader Steny Hoyer (D-Md.) said the House would vote in late July on a major conservation package that provides permanent funding to the Land and Water Conservation Fund and offers billions to address maintenance needs on the nation's public lands. The Senate cleared the legislation, H.R. 1957, last week on a strong bipartisan vote.
- Senate Ag Hearing on Growing Climate Solutions Act. On Wednesday, the Senate Committee
 on Agriculture, Nutrition, and Forestry held a hearing entitled "Review of S. 3894, The Growing
 Climate Solutions Act of 2020." The hearing featured testimony from key agricultural

perspectives on the direct effects that the legislation would have on family farmers and ranchers.

- Chairman Roberts emphasized the importance of accurate data in any climate related discussion. He also touched on the agriculture value chain and all the components necessary to ensure it is as effective as possible. Ranking Member Stabenow, one of the key leaders of this legislation, focused on the need to provide long-term stability to farmers who face climate change uncertainty every day.
 - To watch the hearing and read testimony, click here.
 - Click here to watch Chairman Roberts' opening statement.
- Murkowski Emphasizes Mineral Supply Issue. Senate Energy and Natural Resources Chairman Lisa Murkowski (R-Alaska) on Thursday highlighted another supply chain issue tied to the global Covid-19 pandemic: U.S. dependence on overseas supplies of minerals critical to U.S. defense and health care but also consumer electronics such as smart phones.
 - The committee's <u>hearing</u> came as critical minerals legislation has stalled in the Senate. It got a lift earlier this year when Murkowski and the top Democrat, Sen. Joe Manchin (D-W.Va.), included much of her American Mineral Security Act (S. 1317) in a broad Senate energy bill. The energy package had bipartisan backing but ran aground in a dispute over an amendment to cut super-polluting HFCS.
- Senate Oil Allies Push Expanded Tax Breaks for Drillers. Oil companies would be able to take advantage of expanded and accelerated tax deductions under legislation Republican senators are advancing to aid domestic producers during the coronavirus pandemic.
 - Bill S. 4041, which is sponsored by Senator John Cornyn, would allow the immediate expensing of certain direct and indirect costs, such as inventory, slash required biweekly deposit of certain motor fuel excise taxes and allow 100% deduction of 2020 intangible drilling costs. The measure also would make it easier for oil & gas companies operating on federal land and waters to secure royalty relief and further delay by two years a July 1, 2020 deadline for recalculating royalty payments required by a 2016 valuation rule.
- Senate Passes Great American Outdoors Act. The U.S. Senate passed the Great American Outdoors Act by an overwhelming 73-25 bipartisan vote. The legislation includes Sen. Alexander's bill to restore the country's 419 national parks and cut in half the national parks' \$12 billion deferred maintenance backlog. The bill also fully funds the Land and Water Conservation Fund (LWCF) permanently, a goal of Congress since 1964. This bipartisan solution to restore America's national parks gained the support of more than 800 conservation groups.
- House Package Spends Billions in Clean Energy. House Democrats unveiled details of their \$1.5 trillion infrastructure plan that would pay for water projects, fight contamination from "forever chemicals," and move toward a national network of electric vehicle charging stations. The 2,309-page package combines a \$500 billion surface transportation bill that the House Transportation and Infrastructure Committee approved June 18 with a grab bag of other clean energy, infrastructure, and education funding proposals already unveiled by Democrats in recent months.
 - The Moving Forward Act (H.R. 2) would provide \$70 billion in electricity grid improvements and billions of dollars in annual water spending, including \$25 billion to improve drinking water infrastructure and address per- and polyfluoroalkyl (PFAS) substances. It also provides grants for schools and childcare facilities to voluntarily test for lead contamination and to replace school drinking water fountains
- **Senate Panel to Weigh Infrastructure.** The Senate Environment and Public Works panel July 1 will delve into how U.S. infrastructure projects can help the U.S. economy rebound while building more resiliency—including combating severe weather and other climate impacts. The

- full committee hearing will highlight provisions that could speed up infrastructure construction and permitting in the five-year, \$287 billion highway and surface transportation bill (<u>S. 2302</u>) the panel approved unanimously in July 2019.
- Daines Introduces Wildlife Bill. Sen. Steve Daines (R-Mont.) introduced a bill yesterday that
 would give the Forest Service and Interior Department the ability to avoid additional reviews on
 land management plans triggered by new information related to wildlife.

TRUMP ADMINISTRATION ACTIONS

- Interior Recommends Alaska Drilling Expansion. The Bureau of Land Management recommended offering nearly 19 million acres in the National Petroleum Reserve-Alaska for mineral development as part of its preferred planning scenario, according to its Integrated Activity Plan and Environmental Impact Statement released Thursday.
- A New Era of WOTUS. Millions of acres of wetlands and hundreds of thousands of stream miles
 that have been regulated by the federal government for more than four decades are, now,
 officially outside the scope of federal reach as the Trump administration's new definition of
 Waters of the U.S. takes effect in 49 states.
- DOJ Blasted for Probing Carmakers a Day After Angry Trump Tweets. House Democrats
 criticized the Justice Department after one of its career attorneys testified an antitrust
 investigation was launched into automakers that agreed to meet California's strict tailpipe
 emissions rules the day after Trump fumed about the arrangement on Twitter.
 - John Elias, a trial attorney in the Justice Department's Antitrust Division, told the House Judiciary Committee that he reported the circumstances around the investigation to DOJ's inspector general as an example of how competition laws have been misused under Attorney General William Barr.
 - "It is unacceptable that he would order the Antitrust Division to initiate pre-textual
 investigations into industries he and the president do not like simply because they do
 not like them," House Judiciary Chairman <u>Jerrold Nadler</u> (D-N.Y.) said of Barr in his
 opening remarks.
- Enforcement Policy Will End In 'Near Future.' EPA will pull back on its loosened enforcement policy in the "near future," John Irving, the agency's deputy assistant administrator in the enforcement office, said on Monday. The March policy, which has drawn multiple lawsuits, broadly indicated companies would not be punished if certain environmental compliance requirements such as pollution monitoring and reporting were missed because of disruptions during the pandemic.

2020 PRESIDENTIAL CAMPAIGN NEWS

- Joe Biden Wins Backing of Major Environmental Group. The political arm of the Natural Resources Defense Council, a major national environmental group, announced Wednesday that it is endorsing former vice president <u>Joe Biden</u> in the 2020 presidential race.
 - Gina McCarthy, who heads the group, said Biden's four decades working in Washington will help him build the political support needed to pass legislation tackling climate change — something past Democratic presidents have promised but failed to do.

ENERGY ECONOMY NEWS

- Amazon is Starting \$2 Billion Fund to Back Climate Technologies. The fund, which will be run by the company's corporate development group, aided by Amazon's internal sustainability team, will have a mandate to back technologies being developed to reduce the greenhouse gas emissions blamed for a warming planet. The Climate Pledge Fund plans to make bets in a broad range of industries, from transportation and manufacturing to energy generation and agriculture, Amazon said in a statement Tuesday.
 - Chief Executive Officer Jeff Bezos, under pressure from employee and outside activists, last year unveiled a Climate Pledge committing his company to meet the goals of the landmark Paris climate agreement 10 years early.
- With Climate Pledge Arena, Amazon Puts Promise in Lights. The company, eager to prove that it's working to combat climate change, is paying to name a Seattle hockey stadium Climate Pledge Arena. The new moniker is meant to recall The Climate Pledge, an initiative Amazon launched last year to push other companies to join it in being carbon neutral by 2040. The venue was previously called KeyArena and is in the midst of a major renovation.

ENERGY ECONOMY NEWS

Covid's Comeback Is Threatening Oil's Price Recovery. A spike in U.S. coronavirus cases is threatening the oil market's recovery from its historic plunge into negative territory. Futures in New York slid 5.9% to the lowest in a week yesterday. The decline comes as U.S. crude inventories rose for a third week to a fresh record, placing added pressure on a market already weighed down by fears that a resurgence of the virus could force states to resume lockdowns that were only recently lifted.

NEWLY PUBLISHED CLIMATE STUDIES

- Most Americans Believe the Government Should Do More to Combat Climate Change. Nearly two-thirds of Americans believe the federal government should act more aggressively to combat climate change, and almost as many say the problem is already affecting their community in some way, according to a survey released Tuesday by the Pew Research Center.
 - The nationwide survey of 10,957 adults conducted this spring finds that Americans overwhelmingly want the government to do more to reduce the greenhouse gases linked to a warming climate, with significant majorities backing policies that would plant huge numbers of trees, greater restrict power plant emissions, require more fuel-efficient cars and tax corporations based on their emissions.

STATE & LOCAL GOVERNMENT NEWS

- State Coalition Aims to Defend Obama-Era Mercury Limits. California and Massachusetts are part of a coalition of 16 Democratic states and New York City that are gearing up to defend federal mercury pollution standards for power plants against a challenge mounted a month ago by a Colorado-based coal company.
 - Massachusetts Attorney General Maura Healey (D) on behalf of the coalition filed a motion to intervene in a lawsuit filed May 22 by Westmoreland Mining Holdings LLC.
 - The company sued the EPA for maintaining power plant standards on releases of mercury and other toxic air pollutants, despite gutting its legal rationale. The legal rationale in question is the "appropriate and necessary" finding that the Clean Air Act requires the EPA to establish before setting limits on power plants.

- States Dig in on Fossil Fuels Fight. The District of Columbia sued four Big Oil companies Thursday for "systematically and intentionally" misleading consumers on the role their products play in climate change.
 - The complaint, filed against ExxonMobil, BP, Chevron and Shell in the Superior Court of the District of Columbia, alleged the companies violated the Consumer Protection Procedures Act, a broad statute that prohibits businesses from misinformation about consumer goods and services.
 - The lawsuit comes one day after Minnesota launched a similar lawsuit against Exxon, the American Petroleum Institute and Koch Industries alleging the three had violated state and common law provisions regarding false advertising, deceptive trade practices and consumer fraud.

INTERNATIONAL NEWS

- **EU Finds No Progress Made in Five Years to Curb Climate Change.** The European Union delivered a blunt assessment of its actions to stop climate change, saying it made no progress over a five-year span to minimize the potential harm from rising global temperatures. The conclusion, in a <u>report</u> published Monday by the European Commission, the bloc's executive arm, goes against the usual portrayal of the EU in speeches and publications as the world's leader on climate change.
 - The report shows that "we took very good decisions, yes, we are committed, yes, we are at the forefront on the goals for 2020 and 2030, but we still have the consequences of climate change in place," said Paolo Gentiloni, the EU's economy commissioner, speaking in Brussels.
- UN Evaluates Reports of Record Arctic Heat in Siberia. The U.N. weather agency is investigating media reports suggesting a new record high temperature of over 38 degrees Celsius (100.4 degrees Fahrenheit) in the Arctic Circle amid a heatwave and prolonged wildfires in eastern Siberia. The World Meteorological Organization said Tuesday that it's looking to verify the temperature reading on Saturday in the Russian town of Verkhoyansk with Rosgidromet, the Russian federal service for hydro-meteorological and environmental monitoring.
- Denmark Strikes Historic Climate Deal to Slash Emissions. Danish lawmakers have struck a climate agreement to ensure their country can live up to a goal of cutting carbon emissions by 70% from 1990 levels over the coming decade.
 - The deal, which was entered last night after winning broad backing across party lines, means Denmark will commit to cutting carbon emissions by 3.4 million tonnes.

 Lawmakers also agreed to build the world's first energy islands, while investments will be made in carbon capture and greener fuels, the Climate Ministry said in a statement on its website.