

BRIEF ON CLIMATE AND SUSTAINABILITY July 19, 2020

DEVELOPMENTS IN CONGRESS

- House Advances Interior, EPA Bill. The House Appropriations Committee on Friday advanced its fiscal 2021 spending bill for the Environmental Protection Agency and Interior Department with increases for both agencies. The bill would provide \$36.76 billion in discretionary funding, a \$771 million increase over FY2020 levels. The measure includes \$15 billion for a new emergency critical infrastructure fund as well as \$2.35 billion for the wildfire suppression cap adjustment.
 - The Sierra Club supported the measures in a statement, pointing to provisions for fighting racism, increasing environmental justice activities and funding research into the role of protecting wildlife and wild places to prevent future pandemics.
 - The measure omits several EPA policy riders that were enacted under previous spending laws, including:
 - Prohibitions on regulating greenhouse gas emissions from livestock and requiring reporting on emissions from manure management systems.
 - A ban on regulating the lead content of ammunition and fishing tackle.
 - A requirement that all federal agencies treat energy from burning forest biomass, which is generally in the form of wood pellets, as carbon neutral and a renewable energy source.
 - A ban on enforcing a rule on emissions from small remote incinerators in Alaska.
 - A prohibition on requiring a permit to discharge dredged or fill material.
 - The Interior Department bill would block the use of appropriated funds to conduct or authorize any offshore oil and gas preleasing, leasing, or exploration permitting for areas that weren't included in the Obama administration's final leasing plan for 2017 to 2022.
- House Panel Moves Multibillion Dollar Water Infrastructure Bill. The Water Resources Development Act of 2020 (<u>H.R. 7575</u>) would authorize the Army Corps of Engineers every two years to carry out specific projects and feasibility studies that include repairing locks and dams and protecting the nation's waters against other invasive species. House Transportation and Infrastructure Committee Chairman DeFazio said H.R. 7575 "unlocks" \$10 billion sitting in the Harbor Maintenance Trust Fund to meet the ongoing repair needs of the nation's largest ports and the Great Lakes harbors, as well as other ports.
- House Lawmakers Push for Stricter Regulation of PFAS Chemicals. A bipartisan slate of House lawmakers led by Rep. Debbie Dingell (D-Mich.) is teeing up the sweeping PFAS bill, <u>H.R. 535</u> (<u>116</u>), for consideration as an amendment to the National Defense Authorization Act when that bill hits the floor next week.

- The PFAS Action Act, which passed the House with the support of 24 Republicans in January, would require EPA to list the chemicals PFOA and PFOS as hazardous for the purposes of Superfund and set federal drinking water limits that are protective of the most vulnerable populations.
- On Tuesday, July 14, 2020, the House Natural Resources Subcommittee on Energy and Mineral Resources held a hearing titled "Energy Infrastructure and Environmental Justice: Lessons for a Sustainable Future." Chairman Alan Lowenthal (D-CA-47) led the hearing, which focused on the inequitable conditions that minority and tribal communities are subjected to with respect to resource development.
 - While Ranking Member Paul Gosar (R-AZ-4) was in support of addressing the issues facing environmental justice communities, he voiced his feelings that the Atlantic Coast Pipeline (ACP), for example, was a way to create better outcomes for those communities. In his view, the ACP would have created well-paying union jobs and community economic growth. Representative Bruce Westerman (R-AR-4) was also concerned about the loss of jobs due to overly heavy-handed regulations on development, as well as how it might lead to dependence on foreign energy sources.
- Florida Democrats, GOP Want Offshore Drill Ban in Defense Bill. Florida Democrats and Republicans are hoping to permanently ban offshore drilling in the eastern Gulf of Mexico by championing an amendment to must-pass defense legislation. A group of 19 Floridians, led by Rep. Alcee Hastings (D-Fla.), recently filed an <u>amendment</u> for inclusion in the upcoming floor debate of the fiscal 2021 National Defense Authorization Act (<u>H.R. 6395</u>). The measure is identical to legislation (<u>H.R. 205</u>) the House passed last September that would end drilling in the eastern Gulf of Mexico after 2022, when the current moratorium expires.
- Dems Press Facebook On Climate Disinformation. Four senior Senate Democrats Elizabeth Warren, Tom Carper, Sheldon Whitehouse and Brian Schatz — are urging Facebook to take stronger steps to fight disinformation about climate change on its platform. "If Facebook is truly [']committed to fighting the spread of false news on Facebook and Instagram,['] the company must immediately acknowledge in its fact-checking process that the climate crisis is not a matter of opinion and act to close loopholes that allow climate disinformation to spread on its platform," they wrote in <u>a letter</u> to CEO Mark Zuckerberg.

TRUMP ADMINISTRATION ACTIONS

- Landmark Rule that Spurred U.S. Solar, Wind Growth Overhauled. U.S. regulators voted to set new limits on which energy projects fall under the Public Utility Regulatory Policies Act, known as PURPA.
 - Utilities have tried to change the law, which they say saddles consumers with expensive contracts. Solar and wind developers say PURPA is critical to giving renewables a leg up.
 - The Federal Energy Regulatory Commission on Thursday reduced the mandatory purchase obligation for utilities to 5 megawatts from 20 megawatts in some markets, and gave states more authority to set the price at which small generators sell their power. The "one-mile rule," which determines whether generation facilities should be considered to be part of a single facility, was also changed.
- FERC Votes Against Taking Rooftop Solar Oversight from States. FERC dismissed a petition asking the agency to regulate solar net metering instead of states. The agency voted unanimously against a request from New England Ratepayers Association, which filed a petition for declaratory order in April.

- Trump Finalizes Rollback of Bedrock Environmental Law NEPA. Critics say the rollback will gut the National Environmental Policy Act (NEPA), which for 50 years has required the government to weigh environmental and community concerns before approving pipelines, highways, drilling permits, new factories or any major action on federal lands. The changes from the Trump administration aim to streamline environmental reviews that industry complains can take years to complete. The reviews can take roughly four and a half years.
 - It also opens the door for more industry involvement in reviewing the environmental impacts of their projects or nixing reviews entirely for some projects that receive little federal funding.
- Trump Administration Lowered Cost of Climate Change, GAO Finds. The Trump administration's estimate of the social cost of climate change is seven times lower than the amount used during the Obama administration, according to a Tuesday report by the Government Accountability Office. Richard Revesz, Lawrence King professor of law and dean emeritus at NYU School of Law and director of the Institute for Policy Integrity, said the GAO's documentation of "ignoring the best science available" will weaken the administration's efforts to uphold its environmental deregulation in court.
- EPA Proposes Keeping Obama-Era Ozone Limits Across Nation. EPA Administrator Andrew Wheeler said he won't seek to change the 70 parts per billion standard for ozone because it protects public health and vegetation. He said he based his initial conclusion (<u>RIN 2060-AU40</u>) on a review of the latest scientific evidence and policy <u>recommendations</u> by EPA staff that were vetted by the agency's clean air advisers.
 - Sen. Tom Carper (D-Del.) blasted the EPA for not seeking to tighten the standards and for placing "politics before public health" especially during the pandemic that exacerbates respiratory complications.
- EPA Challenged for Limiting State Veto Power under Water Act. The EPA is facing two separate challenges from environmental groups over its water rule that narrows the ability of states to veto energy infrastructure projects such as oil and gas pipelines if they adversely affect water quality. At issue in both complaints is an Environmental Protection Agency rule (RIN: 2040-AF86), released June 1 and published Monday, which narrows the scope of state reviews of pipeline crossings to focus on direct water quality impacts, and not on indirect impacts such as the warming climate.
 - An American Rivers-led coalition filed its <u>complaint</u> in U.S. District Court for the Northern District of California, while Delaware Riverkeeper is asking the U.S. District Court for the Eastern District of Pennsylvania for <u>relief</u>.
- Judge Reinstates Obama Methane Rule. A federal judge reinstated the Obama-era methane venting and flaring rule, after ruling that the Trump administration "engineered a process to ensure a preordained conclusion" to repeal the rule. The Bureau of Land Management's 2016 regulation established methane leak detection and repair requirements for oil and gas production on federal lands, and in 2018 BLM under Trump repealed many of the rule's key provisions.
 - "In its haste, BLM ignored its statutory mandate under the Mineral Leasing Act, repeatedly failed to justify numerous reversals in policy positions previously taken, and failed to consider scientific findings and institutions relied upon by both prior Republican and Democratic administrations," Judge Yvonne Gonzalez Rogers of the U.S. District Court for the Northern District of California wrote.
- Canceling Gas Pipeline Poses Security Threat, Brouillette Says. The demise of the Atlantic Coast pipeline project threatens national security because it eliminates a crucial source of electrical power to several U.S. military bases, Energy Secretary Dan Brouillette told House lawmakers

Tuesday. "It's very important that these facilities have ready access—reliable access—to electricity because they depend on the private grid," Brouillette said during the House Energy and Commerce Committee hearing.

- Brouillette said the pipeline's cancellation and federal oversight of pipeline projects will lead investors to hesitate to invest in pipelines that deliver domestic natural gas to power plants.
- Trump's Legal Attack Fails on California-Quebec Climate Pact. California's climate pact with Quebec doesn't interfere with U.S. authority to conduct foreign affairs, a federal court said Friday. The U.S. District Court for the Eastern District of California tossed the Trump administration's legal attack on the agreement, concluding the U.S. failed to show that California's cap-and-trade program "substantially circumscribed or compromised" the president's role in communicating with foreign governments.

CORPORATE SUSTAINABILITY UPDATES

- Aramco, Exxon Make Small Move to Join BP, Shell in Carbon Curbs. Members of the Oil & Gas Climate Initiative, a group of big oil companies working on ways to respond to climate change, pledged to reduce the carbon intensity of their operations to between 20 and 21 kilograms of carbon dioxide per barrel of crude equivalent by 2025. That represents a reduction of as much as 13% from 2017 levels.
 - The target only refers to "intensity," meaning it allows producers to increase their overall emissions, but they'll have to be cleaner on a per-barrel basis. It also doesn't include customer emissions, referred to by carbon accountants as "<u>Scope 3</u>," which typically add up to more than 90% of an oil company's total footprint.
- Burger King Addresses Climate Change By Changing Cows' Diets. The chain has rebalanced the diet of some of the cows by adding lemon grass in a bid to limit bovine contributions to climate change. By tweaking their diet, Burger King said Tuesday that it believes it can reduce a cow's daily methane emissions by about 33%. Cows emit methane as a by-product of their digestion, and that has become a potential public relations hurdle for major burger chains.
- Tech Turns to Climate. Tech companies and environmental research organizations are launching a joint effort to build a computing tool, called Climate TRACE, that uses artificial intelligence to track greenhouse gases. The effort is designed to create an international inventory of the biggest drivers of climate change so governments and companies can whittle down their emissions.

2020 PRESIDENTIAL ELECTION NEWS

- Biden Touts Union Jobs in \$2 Trillion Plan to Build Clean Energy. Part of his larger economic plan to pull the U.S. out of a pandemic-prompted recession, Biden's clean energy plan co-opts a hallmark of President Donald Trump's re-election efforts by focusing on rebuilding the nation's infrastructure. Biden's plan seeks to balance the desires of progressive Democrats who are demanding bold action to confront climate change while also protecting swing-state and manufacturing jobs -- and Biden repeatedly stressed that his policies would create well-paying, unionized jobs.
 - "It's no secret that we've been critical of Vice President's Biden's plans and commitments in the past. Today, he's responded to many of those criticisms," the statement from Sunrise Movement co-founder Varshini Prakash said.

- Biden outlined a goal of "a carbon pollution-free power sector by 2035" -- a move that would require rapid acceleration in the deployment of renewable wind and solar power as well as electricity storage, while continuing to rely on emission-free nuclear power. That rapid transition will enable the country to meet the threat of climate change while creating millions of jobs, according to campaign documents.
- The United Auto Workers welcomed the plan, calling it in an unsigned statement a "winwin" that "will ensure that the industry will thrive for decades to come with good paying union jobs."
- The initiative also seeks to emphasize environmental justice, creating special divisions of the EPA and Justice Department dedicated to ensuring protection for front-line communities that are most exposed to the effects of pollution including criminal charges.
- Environmentalists have pressured Biden to shut down hydraulic fracturing, the technique used to extract oil and gas from some 90% of U.S. wells, but Biden has been cool to the idea, <u>telling Pennsylvania's WNEP-TV</u> last week that "fracking is not going to be on the chopping block."

NEWLY PUBLISHED CLIMATE STUDIES

- Cow Burps, Leaky Pipelines Put Earth on High-End Warming Track. Global emissions of methane, a greenhouse gas multiple times more potent than CO2, rose by 9% in the decade through 2017, putting Earth on a track to warm by more than 3 degrees Celsius by the end of the century, according to an international study scheduled to be released Wednesday. Human activity accounts for about 60% of methane emissions, led by growing herds of livestock and emissions linked to oil and gas production.
 - The current path of methane emissions lies between the two warmest scenarios used in projections by the Intergovernmental Panel on Climate Change, implying large cuts are needed to meet Paris Agreement targets. Warming by 3 degrees would be double the rate scientists have identified as needed to constrain the worst impacts of climate change.
- Rising Seas Mean More Flooding Will Be Coming to New York City. In the year-long period that began in May, the agency expects flooding of the Battery happen as many as 14 more times. That's a big change from the early 2000s, when the Battery would flood less than 5 times per year. More is coming, according to the agency. By 2030, the Battery will flood 20 to 40 times a year and by 2100 that could rise to 50 to 135 times, the report said. The current record at the tip of Manhattan is 15, set in 2017.
- Great Lakes Water Temperatures Blowing Away Records and Could Continue Rising. You don't expect to see 75- or even 80-degree water in the Great Lakes in early July or, in most years, anytime. But an exceptionally hot weather pattern has pushed water temperatures in most of the lakes to the highest levels on record so early in the summer. These water temperatures over the Lakes are some 6 to 11 degrees warmer than normal. This is a result of the higher air temperatures; air temperatures in early July, especially in the eastern Great Lakes, were among the warmest on record. While some are enjoying the warm temperatures, there are dire consequences.

STATE & LOCAL GOVERNMENT NEWS

- Court Grants Temporary DAPL Stay. The D.C. Circuit Court of Appeals on Tuesday temporarily stayed a federal judge's order to shut down the Dakota Access pipeline, sparing Energy Transfer from having to drain the line within 30 days. "The purpose of this administrative stay is to give the court sufficient opportunity to consider the emergency motion for stay and should not be construed in any way as a ruling on the merits of that motion," the court wrote in its brief order.
 - Shuttering the Dakota Access Pipeline would have "devastating" impacts on North Dakotans, the state argued in <u>an amicus brief</u> filed with the U.S. Circuit Court of Appeals for D.C. on Monday.
- Cities Join Businesses in Asking EPA for Pandemic-Related Help. Cities and counties have petitioned the agency for temporary relief under its relaxed enforcement policy, according to documents obtained under the Freedom of Information Act. Among them was Kansas City, Mo., which asserted force majeure—a legal provision that frees a contract's parties from obligations in the event of an unforeseeable circumstance—in a consent decree requiring it to build sewer overflow control measures. The city's Office of the City Attorney asserted that the pandemic had made project management and oversight "extremely challenging." The EPA has yet to respond to this request based on the FOIA documents.
 - Several industry trade groups asked for leniency on behalf of their members, including the American Chemistry Council, American Petroleum Institute, National Waste and Recycling Association, National Pork Producers Council, and Portland Cement Association.
- 15 States and DC Pledge Emissions-Free Truck Sales by 2050. This is part of an effort to severely curb emissions. As an interim goal, those signing the memorandum of understanding would have 30 percent of new truck and bus sales in 2030 be emission free. The memorandum is not legally binding and it says that states that don't meet the goals won't face any sort of disciplinary action.

INTERNATIONAL NEWS

- Germany Urges Shields for European Industry in Green Transition. Germany is chairing
 meetings of EU member states in the second half of this year, setting the political tone for talks
 about toughening the region's 2030 emissions-reduction target on the way to climate neutrality
 while maintaining the competitiveness of the region's industry. The European Commission is
 currently analyzing a goal to cut pollution by 50%-55% compared with the existing 40% from
 1990 levels.
 - "That needs to be organized in such a way that there's a clear, predictable growth prospect for our key industries," German Economy Minister Peter Altmaier told members of the EU Parliament's industry committee on Thursday. "Without industrial jobs, prosperity in Europe will be much lower."
- U.K. May Create Green Investment Bank to Aid Move to Net Zero. The U.K. government is discussing plans to create a green investment bank to promote the country's move to eliminate greenhouse gas emissions by 2050, Energy Minister Kwasi Kwarteng said. Kwarteng was responding to a proposal by UK100 to establish a "Net Zero Development Bank" to support local projects and make them more attractive to institutional investors. Under Prime Minister David Cameron, the Tories established a <u>Green Investment Bank</u> in 2012 to speed Britain's switch away from fossil fuel-fired power generation, before selling it for 2.3 billion pounds (\$2.9 billion) to a group led by Macquarie Group Ltd. in 2017.
- European Union Lays Out Course for Big Offshore Renewables Boom. The European Union must intensively scale up its generation of green energy from offshore sources to meet its goal

of becoming carbon-neutral by 2050, the European Commission said Thursday. The bloc must do this while not causing collateral damage to the environment, and while respecting the rights of other nations using the seas, according to a <u>document</u> issued as part of a public consultation that runs through Sept. 24."The current offshore wind and renewable development pace is far too slow and constrained to meet the needed massive scale-up to ensure climate neutrality by 2050," the consultation document said.

