



BRIEF ON CLIMATE & SUSTAINABILITY (7.11)

DEVELOPMENTS IN CONGRESS

- **House Panel OKs Interior, EPA Fiscal 2021 Spending Bill.** The House Appropriations Interior-Environment Subcommittee advanced legislation that would block some environmental rule changes sought by the Trump administration yesterday and increase money in fiscal 2021 for the federal agencies overseeing water, air, public lands, and Indian country. The panel approved by voice vote the \$36.76 billion Interior-Environment spending bill.
 - The EPA would receive a near-record \$9.38 billion and Interior would get \$13.83 billion in discretionary appropriations under the legislation. The full Appropriations Committee will mark up the bill on July 10.
- **Fiscal 2021 Energy, Water Spending Clears First House Hurdle.** A funding measure that would boost energy and water spending 3% in fiscal 2021, including increased renewable energy and advanced energy research, cleared its first hurdle yesterday with approval by the House Appropriations Energy and Water Subcommittee.
 - The \$49.6 billion energy and water appropriations bill was approved by voice vote and would include increased funding for the Energy Department, the Army Corps of Engineers, and the Advanced Research Projects Agency-Energy (ARPA-E)
- **Democrat Introduces Federal Clean Energy Standard.** Colorado Rep. Diana DeGette (D) introduced a bill to establish a federal clean energy standard requiring U.S. electricity producers to reach net-zero carbon emissions by 2050 at the latest. The [Clean Energy Innovation and Deployment Act](#) would create a system awarding energy providers a credit for every megawatt-hour of electricity they produce without emitting any carbon. Companies would also receive a credit for each ton of carbon dioxide they remove via carbon capture, utilization and storage.
- **A Greenlight for the Green Climate Fund.** House Democrats are finally making their move to resurrect U.S. support for a United Nations climate fund that was zeroed out when Trump took office in 2017. The fiscal 2021 State and Foreign Operations spending bill, approved 29-21 by the House Appropriations Committee yesterday, proposes a \$500 million U.S. payment to the Green Climate Fund.
 - The GCF, which helps developing nations cut their greenhouse gas emissions and address climate impacts, was a top climate priority for former President Barack Obama, who in the run-up to the 2015 Paris climate accord pledged \$3 billion to the GCF over four years. But the U.S. provided only one-third of that pledge before Trump took office in 2017 and eliminated future funding.
- **Democrats Defend States' Rights and Clean Cars Standards Against Trump Administration's Unlawful SAFE.** 118 members of the U.S. House of Representatives led by House Energy and Commerce Chairman Frank Pallone, Jr., and 29 U.S. Senators led by Senate Environment and

Public Works Ranking Member Tom Carper, filed an [amicus brief](#) in the case of *Union of Concerned Scientists, et al. v. National Highway Traffic Safety Administration (NHTSA), et al.*, which is currently pending before the U.S. Court of Appeals for the D.C. Circuit.

- The Union of Concerned Scientists led 57 public interest groups and state and local governments in filing petitions for review of the Trump Administration’s unlawful “Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule,” which rescinds states’ authority under the Clean Air Act to set vehicle emissions standards for greenhouse gases.
- The lawmakers argue this action not only jeopardizes public health by abandoning one of the most effective tools for fighting the climate crisis, but also runs afoul of both the Energy Policy and Conservation Act (EPCA) and the Clean Air Act by wrongly concluding that federal law preempts state vehicle greenhouse gas emission standards.

TRUMP ADMINISTRATION ACTIONS

- **Keystone XL Pipeline Stays Blocked in U.S. Supreme Court Order.** The U.S. Supreme Court refused to let construction start on TC Energy Corp.’s Keystone XL oil-sands pipeline, rejecting a bid by President Donald Trump’s administration to jump-start the long-delayed project. The justices, without explanation or noted dissent, left in force part of a federal court order that blocks use of a key federal permit. Although the justices cleared the way for other oil-and-gas pipeline construction projects to use the permit, they refused to do so for Keystone XL.
 - The rebuff means almost all Keystone XL construction is delayed until 2021, according to court papers filed by TC Energy. The company told the high court that lifting the order probably would have let construction start by August on the pipeline, which would carry more crude than some OPEC members produce.

ENERGY ECONOMY NEWS

- **Major Gas Companies See Hydrogen Made from Solar as Key to Curb Emissions.** Engie SA and [Air Liquide SA](#) want to build solar farms big enough to power 450,000 homes in France’s sun-drenched Provence region, with enough electricity left over to produce hydrogen by electrolyzing water. Some of the clean-burning gas would be sold to refineries and chemicals makers in Fos-sur-Mer, curbing their emissions of carbon dioxide.
 - The “[HyGreen Provence](#)” project would produce renewable hydrogen on a much bigger scale than anywhere else, and trim CO2 emissions that come from the refining and petrochemical complex. The French industrial sector uses about 1 million tons of hydrogen each year, and the government would like between 20% to 40% of this to be carbon-free by 2028.
- **Solar Giant Sunrun Surges on Deal to Become a Juggernaut.** Sunrun Inc., America’s biggest rooftop-solar company, is set to become a behemoth through a \$1.46 billion takeover of its rival Vivint Solar Inc. Shares of both companies surged. The agreement announced late Monday is one of the industry’s biggest. It comes after Tesla Inc.’s 2016 purchase of debt-plagued SolarCity Corp. and the failed 2015 acquisition of Vivint by SunEdison Inc., the clean-energy giant that went bankrupt soon after. ’s 2016 purchase of debt-plagued SolarCity Corp. and the failed 2015 acquisition of Vivint by SunEdison Inc., the clean-energy giant that went bankrupt soon after.
 - The second major U.S. energy deal in as many days also threatens to further weaken Tesla’s grip on the rooftop-solar market and could inspire more sector consolidation.

Sunrun and Vivint combined provide about 75% of new residential solar leases each quarter.

- **Major Wall Street Banks Plan More Active Role in Climate Fight.** The Rocky Mountain Institute (RMI) is launching a center focused on climate that will be supported by Wells Fargo, Goldman Sachs, Bank of America and JPMorgan Chase. The Center for Climate Aligned Finance will, among other things, try to help fossil-fuel companies and other carbon-intensive sectors aggressively cut emissions with the input of banks and shareholders.
- **U.S. Utility Company Kills Pipeline, Sells Assets to Berkshire.** Dominion Energy, the second-biggest U.S. power company by market value, yesterday said it's selling substantially all of its gas pipeline and storage assets to Berkshire Hathaway for \$4 billion. In a separate statement, Dominion and its partner Duke Energy said they're killing the controversial Atlantic Coast gas pipeline along the U.S. East Coast, citing ongoing delays and "cost uncertainty."
 - The moves come as utilities face increasing pressure from local governments, investors and environmentalists to quit the fossil fuel.
- **Dakota Access Pipeline Still Pumping Oil.** The operator of the Dakota Access Pipeline is making no moves yet to shut down the North Dakota pipeline, despite an order from a federal judge on Monday to empty it of oil by Aug. 5, a process that Energy Transfer said could take roughly 90 days. Company spokeswoman Vicki Granada said, "We have not yet started the process of shutting it down as we work through the legal process."
 - The company said Wednesday that D.C. District Court Judge James Boasberg had "exceeded his authority in ordering the shutdown of the Dakota Access Pipeline" until the Army Corps of Engineers conducted an environmental review of a section of the pipeline, and filed a motion asking that the shutdown order be suspended while it appeals the court ruling.
 - Judge James Boasberg of the U.S. District Court for the District of Columbia said he would soon set a schedule for considering developer Energy Transfer Partners' request to allow the pipeline to remain in operation while the company pursues an appeal
- **A Dispute in Michigan May Spark New Wave of Problems for Pipeline Sector.** A legal fight underway in over Enbridge's Line 5 oil and propane pipeline could open up a new front in the pipeline wars. If successful, Michigan's case would effectively wrest questions about the safety of the pipeline from the federal Pipeline and Hazardous Material Safety Administration.
 - State Attorney General Dana Nessel's strategy to revoke an easement for the 540,000 barrel-per-day system could give state governments leverage against pipeline projects, according to Jane Kleeb, chair of the Nebraska Democratic Party.
 - The setbacks come as the Trump administration has moved quickly to approve pipelines and speed up infrastructure permitting, which industry proponents have requested but critics have said leaves them open to legal challenges from environmental groups.

2020 PRESIDENTIAL ELECTION NEWS

- **Announcement Coming: Biden's Clean Energy/Infrastructure Plan.** Biden will unveil an updated clean energy and infrastructure plan next week, the presumptive Democratic nominee announced Thursday, while touting his economic recovery plan.
- **Trump Announcing Infrastructure Plan As Well.** President Donald Trump is also planning to unveil an infrastructure plan next week. Trump will visit a UPS airport hub in Atlanta Wednesday to tout his administration's progress on accelerating environmental reviews for infrastructure projects, as laid out in a [2017 executive order](#) and in a January proposed rule. That rule has now

been finalized and Trump will announce its implementation at his Wednesday appearance, according to a White House official.

- ***Biden-Sanders Task Forces Unveil Joint Goals for Party Unity.*** Political task forces Joe Biden formed with onetime rival Bernie Sanders to solidify support among the Democratic Party's progressive wing recommended Wednesday that the former vice president embrace major proposals to combat climate change and institutional racism while expanding health care coverage and rebuilding a coronavirus-ravaged economy. But they stopped short of urging Biden's full endorsement of policies that could prove too divisive for some swing voters in November, like universal health coverage under "Medicare for All" or the sweeping Green New Deal environmental plan.
 - The groups' 110 pages of recommendations should help shape the policy platform Democrats will adopt during their national convention next month. The task forces sought to help Biden, a center-left establishment candidate, engage skeptical progressives who'd backed other 2020 candidates, especially Sanders and Sen. Elizabeth Warren, who is under consideration for Biden's running mate.
 - They recommend that Biden commit to moving the U.S. to being fully powered by renewable energy, and meeting other key environmental benchmarks, by 2035. That's far more ambitious than the 2050 deadline he embraced during the primary. They also call for a 100-day moratorium on deportations and a series of steps to overhaul the economy in an effort to reduce economic and racial inequality.
 - Still, the recommendations don't include a ban on hydraulic fracturing that could hurt Biden in the energy-producing swing state of Pennsylvania. There's also no endorsement for Medicare for All or the Green New Deal.
- ***Biden Taps Steyer on Climate Change.*** Hedge-fund billionaire Tom Steyer, who put \$342 million into his own bid for the party's presidential nomination, is one of six members of the Biden campaign's new climate engagement advisory council. The panel's outreach will focus on young Americans, communities of color, union households, and others.
 - In addition to Steyer, the council includes Carol Browner, who served as administrator of the Environmental Protection Agency under former President Bill Clinton, Representative Deb Haaland of New Mexico and former South Carolina State Representative Harold Mitchell.
 - Two Obama administration cabinet members, former Labor Secretary Hilda Solis and former Interior Secretary Ken Salazar, will lead the effort to reach out to Latino voters.
- ***Biden: Fracking Jobs Safe.*** Joe Biden told a TV reporter in Pennsylvania on Thursday that a Biden administration would not eliminate fracking jobs. "Fracking is not going to be on the chopping block," he told WNEP when asked about displaced workers. Environmentalists who have been pressing the candidate to call for a fracking ban aren't likely to greet that statement the way they did his "unity" task force's climate proposal earlier this week.

NEWLY PUBLISHED CLIMATE STUDIES

- ***U.S. Greenhouse Gases Tumbled 18% This Spring.*** Researchers also found that U.S. emissions of carbon dioxide and other heat-trapping gases could see a lower growth trajectory through the end of the decade because of the health crisis. The **Rhodium Group noted the high economic costs associated** with the spring reduction in emissions, which it estimated at between \$3,200 and \$5,400 in lost economic activity per ton of reduced carbon dioxide depending on the speed of the nation's economic recovery. That compares to about \$11 to reduce each ton of CO2

under the Obama administration's regulations for coal-fired power plants that were withdrawn by the Trump EPA.

STATE & LOCAL GOVERNMENT NEWS

- ***Tribal Leaders Say Permitting Update Could Bost Energy Projects.*** “NEPA hinders on-reservation development and construction,” and not just with respect to energy projects, said Christine Sage, chairman of the Southern Ute Indian Tribe in southwestern Colorado. “Every time a major federal action is pending, NEPA is triggered.” Sage was responding to a question from Rep. Morgan Griffith (R-Va.) during a House Energy and Commerce Committee hearing.
 - Sage also said “inconsistent requirements” across various federal agencies make it difficult to comply with the law, adding that she would “definitely” support current efforts to clarify NEPA.
 - The Navajo Nation, which spans Arizona, Utah, and New Mexico, is making the transition away from fossil fuel-driven energy production to renewables, said Navajo Nation President Jonathan Nez on Wednesday.
- ***Colorado Sued for Missing Climate Change Reduction Deadline.*** Colorado missed a July 1 deadline to ensure the state meets required greenhouse gas reduction targets, an environmental group alleged in a lawsuit filed in state court.
 - Gov. Jared Polis (D) and his administration failed to publish a notice of proposed rulemaking setting forth the measures necessary to meet greenhouse gas reduction goals, according to the [complaint](#) filed Thursday in Denver District Court. The plaintiff, WildEarth Guardians, is seeking to compel the state’s compliance with the deadline.
 - The state General Assembly in 2019 passed two landmark climate bills (S.B. 96 and H.B. 1261) committing the state to reducing greenhouse gases 26% by 2025, 50% by 2030, and 90% by 2050. The Legislature also set a deadline of July 1, 2020, for proposing new regulations to meet these goals.

INTERNATIONAL NEWS

- ***Bolsonaro Plans to Appease Investors with Ban on Amazon Fires.*** Brazil’s President Jair Bolsonaro plans to put a four-month ban on fires in the Amazon and Pantanal regions in response to criticism from international investors and Brazilian companies about a surge in deforestation. The decree is being drafted by the Environment Ministry, with a start date yet to be decided. Last year, the government banned burning for 60 days before adding another 60 days. This year, it’s going straight to 120 days to prevent another jump in uncontrolled fires in the dry season.
 - The stricter rules for the Amazon and Pantanal regions won’t apply in the Cerrado biome, a tropical savanna increasingly used for farming.
 - Amazon deforestation has surged in the past two years under the government of Bolsonaro, who defends opening up the world’s largest rainforest to agriculture and mining.
- ***UN: World Could Hit 1.5-degree Warming Threshold by 2024.*** The World Meteorological Organization said forecasts suggest there's a 20% chance that global temperatures will be 1.5 degrees Celsius (2.7 Fahrenheit) higher than the pre-industrial average in at least one year between 2020 and 2024. The 1.5 C mark is the level countries agreed to cap global warming at in the 2015 Paris accord. While a new annual high might be followed by several years with lower

average temperatures, breaking that threshold would be seen as further evidence that international efforts to curb climate change aren't working.

- Maxx Dilley, the director of climate services at the WMO, said it's not impossible that countries will manage to achieve the target set in Paris, of keeping global warming well below 2 degrees Celsius (3.6 Fahrenheit), ideally no more than 1.5 C, by the end of the century.