



BRIEF ON CLIMATE AND SUSTAINABILITY

September 14, 2020

DEVELOPMENTS IN CONGRESS

- ***Senators Reach Compromise HFC Deal.*** In a move that could help clear the path forward for the long-stalled Senate energy bill, a trio of senators Thursday announced they'd reached agreement on phasing down hydrofluorocarbons — a coolant and potent greenhouse gas used widely in air conditioners and refrigeration.
 - The deal, reached by Senate Environment and Public Works Chair John Barrasso (R-Wyo.), ranking member Tom Carper (D-Del.) and Sen. John Kennedy (R-La.), comes months after a dispute over HFC reductions derailed a broad energy package, [S. 2657 \(116\)](#), which was spearheaded by Senate Energy Chair Lisa Murkowski (R-Alaska) and ranking member Joe Manchin (D-W.Va.).
 - The deal that will be introduced as an [amendment](#) to the energy bill would reduce the amount of HFCs used in the U.S. by 85 percent by 2036, putting the U.S. on a path toward meeting the Kigali Amendment to the Montreal Protocol. The compromise also prevents states and localities from writing their own stricter rules on the coolant, a condition opposed by environmentalists, and prevents EPA from accelerating the timeline of reductions, a key demand by Barrasso.
- ***Democrats Unveil Coronavirus, Climate Resolution.*** Congressional Democrats and progressives unveiled an election-year [roadmap](#) on Thursday for how the U.S. should seek to recover from the coronavirus pandemic, economic recession, racial strife and environmental crises.
 - Under the plan, the Democrats and groups call for creating 16 million jobs with strong union protections, avoiding "climate and environmental catastrophe" by taking aggressive action to phase out fossil fuels and directing at least 40 percent of new investments toward communities of color and indigenous communities "that have been excluded, oppressed, or harmed by racist or unjust practices."
 - The [resolution](#) highlighted eight pillars for the recovery, but did not include any specific policies or details about the potential costs of implementing the strategy.
 - Should Democrats win control of the Senate, it would be "a top priority to pass a just, economic, renewable bill" following the principles outlined in the resolution, Senate Minority Leader Chuck Schumer said at a press conference.
- ***Pelosi: Climate 'Early Part' of Priorities.*** House Speaker Nancy Pelosi meanwhile told reporters action addressing climate change would be "an early part of the agenda" if Joe Biden wins the presidency this year.
 - She specifically mentioned legislation, [H.R. 9 \(116\)](#), that would have the U.S. rejoin the Paris climate agreement and outline a plan for meeting its commitments, though Biden could do it administratively.

- ***Bipartisan Push for Carbon Technologies in Defense Reauthorization Bill.*** Bipartisan and bicameral lawmakers [called on the leaders of the House and Senate Armed Services committees](#) to include legislation to boost carbon capture and sequestration technologies in the final defense reauthorization bill for fiscal year 2021.
 - Investments in CCUS and direct air capture technologies as part of the USE IT measure, [S. 383 \(116\)](#), that was included in the Senate-passed NDAA bill would help manage national security risks, the lawmakers argue, while also "fostering new industries and creating important domestic jobs as the United States emerges from the COVID-19 pandemic." The letter was led by Barrasso, Rep. David B. McKinley (R-W.Va.), Rep. Scott Peters (D-Calif.) and Sen. Sheldon Whitehouse (D-R.I.).
- ***Senate Energy Panel to Consider FERC Nominations Next Week.*** The Senate Energy Committee scheduled a [hearing](#) for Sept. 16 to consider the president's nominees for two open FERC commissioner spots: Democrat Allison Clements and Republican Mark Christie.
- ***Environment and Climate Change Subcommittee Announces Hearing on Need for a Climate-Focused Economic Recovery.*** House Energy and Commerce Committee Chairman Frank Pallone, Jr. (D-NJ) and Environment and Climate Change Subcommittee Chairman Paul Tonko (D-NY) announced that the Environment and Climate Change Subcommittee will hold a remote [hearing](#) on Wednesday, September 16, at 10 a.m. (EDT) on the need for an ambitious economic recovery plan that is centered around climate action. The hearing is entitled, "Building a 100 Percent Clean Economy: Opportunities for an Equitable, Low-Carbon Recovery."
- ***Energy and Commerce Minority: California's Radical Climate Policies Continue to Fail Californians.*** Republicans on the House Energy & Commerce Committee put out a [statement](#) regarding recent energy issues in California:
 - "California has become ground zero for the consequences of radical climate policies that completely rely on renewable energy, the threat these policies pose to electric grid reliability, and the exorbitant costs involved for Californians, who not only pay high state taxes but now also have to pay high costs for utilities that may get shut off during the day. While renewables have their place in power generation, the only way to have reliable, affordable electricity is to utilize an all-of-the-above approach. Unfortunately, Democrats want to take these climate catastrophes nationwide. We can work to reduce emissions and leave our world better than we found it, but we must take into account the human costs of policies we create."
- ***Senator Durbin Introduces Conservation Corps Bill.*** Sen. Dick Durbin (D-IL) introduced [S. 4538](#), which would establish a conservation corps in the Departments of the Interior and Agriculture in an effort to boost employment and job training while restoring parks and trails. Modeled after President Franklin Delano Roosevelt's Civilian Conservation Corps, Sen. Durbin's bill would authorize more than \$55 billion over a five-year period to put one million Americans to work to address the backlog of deferred conservation projects.
- ***House Bipartisan Energy Legislation Advances.*** The House Energy and Commerce Committee reported out by voice vote yesterday [H.R. 4447](#), the Expanding Access to Sustainable Energy Act of 2019, and [H.R. 8159](#), the Department of Energy Organization and Management Improvement Act. H.R. 4447, sponsored by Rep. Tom O'Halleran (D-AZ) and Rep. Markwayne Mullin (R-OK), would create an energy storage and microgrid grant and technical assistance program at the department. It aims to assist rural electric cooperatives to design programs that use renewable energy. Chairman Frank Pallone (D-NJ) and ranking member Greg Walden (R-OR) sponsored H.R. 8159, which would require the Energy secretary to report every two years on improving general management at the department and implement reforms.

- ***Critical Minerals in GOP 'Skinny' Covid-19 Relief Bill.*** Bipartisan legislation out of the Senate Energy and Natural Resources Committee aimed at expediting permitting and increasing investments in domestic critical mineral production to boost national security made it into the Senate Republican's newest stimulus bill unveiled yesterday. Senate GOP leadership also included the language in their prior coronavirus relief bill rolled out in July.
 - It would require the Energy Department to create a program for the development of advanced separation technology to extract and recover rare earth elements and minerals from coal. The measure would authorize appropriations of \$23 million annually for the program between fiscal 2021 and fiscal 2028. The Senate expects to vote tomorrow on the pandemic relief package, which is expected to cost \$500-700 billion.
- ***Affordable Solar Energy for Communities Act.*** Representatives Tony Cárdenas (D-CA) and Barbara Lee (D-CA) [introduced](#) the Affordable Solar Energy for Our Communities Act. The bill would allocate \$200 million in funds to low-income families for solar installations. Eligible entities of the grant program include but not limited to low-income homeowners and non-profits that serve low-income households or multi-family affordable housing complexes. The bill also promotes solar workforce training and development.

TRUMP ADMINISTRATION ACTIONS

- ***Trump Expands Oil Drilling Moratorium for Florida, Georgia, and South Carolina.*** The move, announced at a campaign appearance in Jupiter, Fla., represents an election-year victory for drilling opponents in the crucial presidential swing state. But it comes despite vows by a series of Republican presidents — Ronald Reagan, George W. Bush and now Trump — to open up more of the U.S. coast to drilling to foster American energy independence.
- ***White House Environmental Review Rule Survives Legal Test.*** The White House's rewrite of environmental review rules is set take effect as planned this month, after a federal judge on Friday declined to freeze the measure.
 - The decision is a victory for the Trump administration's efforts to speed up approvals for pipelines, oil and gas wells, highways, and other projects.
 - The U.S. District Court for the Western District of Virginia [ruled](#) that conservation groups hadn't met the legal bar for a preliminary injunction that would shelve the updated National Environmental Policy Act regulation while their legal challenge against it proceeds.
- ***Environmental and Businesses Groups Call for Pendley Removal.*** Nearly 200 environmental organizations, tribes and business groups called on Interior Secretary David Bernhardt to remove William Perry Pendley from his role as the de facto head of the Bureau of Land Management in a [letter](#) Wednesday — just one day after the president officially withdrew Pendley's nomination for BLM director from the Senate.
 - "The withdrawal of Mr. Pendley's nomination for Director of the BLM is a clear admission that Mr. Pendley is fundamentally unfit for the job and incapable of receiving Senate confirmation," the letter states.
 - Pendley currently serves as deputy director for programs and policy at BLM while also exercising the authority of the director. Signers of the letter included Friends of the Earth, Greenpeace U.S., Sierra Club and the NAACP.
- ***EPA Responds to Chesapeake Bay Suit.*** EPA said it is "fully committed" to meeting its 2025 goals after attorneys general from Maryland, Virginia, Delaware and the District of Columbia, as well as environmental groups with an interest in the Chesapeake Bay, sued it on Thursday for failing to enforce the landmark cleanup plan for the estuary during its crucial final phase.

MONUMENT ADVOCACY

- ***Jobs, Security to Matter in Designating ‘Critical Habitats’.*** The federal government may not deem an area with imperiled plants and animals to be a “critical habitat” if doing so would cause economic harm or national security problems, under proposed rules announced Friday. The announcement by the U.S. Fish and Wildlife Service sparked the ire of environmental groups that fear the proposal would further harm species on the brink of extinction, especially as climate change affects their habitats. The proposed rules would affect how the Fish and Wildlife Service decides what land could be excluded from a critical habitat designation. The plan appeared in a Federal Register pre-publication [notice](#). A 30-day public comment period begins next week.
- ***Arctic Refuge Oil Footprint Could Expand Illegally, Lawsuits Say.*** Gravel mines, airstrips, and ice roads could appear in the Arctic National Wildlife Refuge, which Congress never intended when it agreed to allow oil development there, more than a dozen states are claiming in a bid to stop drilling there.
 - A [complaint](#), filed Wednesday by 15 Democratic-leaning states, challenges the Bureau of Land Management’s August decision to move ahead with the oil and gas leasing plan for the Arctic refuge. Congress authorized leasing in the refuge in the 2017 Tax Act, ending a 40-year ban on drilling there.
 - Oil companies can disturb up to 2,000 acres within the refuge, under the 2017 law. But in a shift from an earlier version of its leasing plan, the land bureau [interpreted](#) that limit as applying only to “production and support” facilities.

ENERGY ECONOMY NEWS

- ***Companies Eager to ‘Lock In’ Trump-Era Water Rule Exemptions.*** Coal miners, stone quarrying companies, and other businesses are rushing to lock down any exemptions to federal water jurisdiction for at least five years, under changes the Trump administration recently made to the nation’s water rule. Interviews and a Bloomberg Law analysis of agency data show the Army Corps of Engineers is making regulatory decisions, called jurisdictional determinations, with ease and speed since the Navigable Waters Protection Rule ([RIN: 2040-AF75](#)) took effect June 22 all across the country, save Colorado where a federal court stayed it. Companies want jurisdictional determinations, which are valid for five years, so they can move forward knowing if, when, and where the Clean Water Act applies to water bodies and wetlands on their properties.
- ***Nuclear Workers Sue Over ‘Creeping Chernobyl’ in Ohio.*** Companies including Lockheed Martin and Goodyear Tire & Rubber recklessly and negligently operated a nuclear site in Ohio that poisoned nuclear workers and contaminated the environment, according to a class complaint filed in an Ohio federal court. The defendants not only showed a lack of concern for safety, but they tried to hide information about criminal operations at the site in violation of the Racketeer Influenced and Corrupt Organizations Act, according to the lawsuit filed Thursday in the U.S. District Court for the Southern District of Ohio.

CORPORATE SUSTAINABILITY UPDATES

- ***JPMorgan, Morgan Stanley, BP Want U.S. Carbon Pricing.*** The U.S. government should start making businesses pay for their greenhouse gas emissions to help combat global warming, according to a powerful group of finance and energy titans including Morgan Stanley and JPMorgan Chase. Climate change poses a significant risk to the financial system and regulators must “move urgently and decisively,” the group [said](#) in a report that was signed by executives from the three firms and more than two dozen other global businesses, investors and nonprofit organizations.

- ***Uber Sets Goal to Reach Net-Zero Emissions by 2040.*** Uber [released](#) on Tuesday a slate of targets that it said would slash its carbon footprint. It committed to spending \$800 million by 2025 to help drivers switch to battery-powered electric vehicles (EVs). By 2030, the company expects all rides in the U.S., Canada and Europe will take place in EVs, a promise that will be extended around the world by 2040. It also pledged that all electricity used to power those rides would be carbon-free by that year.

2020 PRESIDENTIAL ELECTION NEWS

- ***Trump Courts Iowa Farmers with Plan to Scrap Biofuel Waivers.*** Trump administration officials have told ethanol advocates the government will reject requests by refineries to be waived from renewable fuel-usage requirements -- a bid to reinforce the president's support in key swing states of Iowa, Wisconsin and Minnesota. The Environmental Protection Agency could reject as many as 67 of those retroactive waiver requests as soon as this week, according to four people familiar with the matter who asked not to be named prior to an announcement. The refinery waivers have been the subject of intense lobbying by Iowa ethanol producers and politicians, including Republican Senator Joni Ernst, who is in a tight race for re-election.
- ***Green Groups Pour Money Into 2020 Campaigns.*** The League of Conservation Voters Victory Fund is putting \$100 million into campaign spending to try to defeat Trump, gain a Democratic Senate majority and win races all the way down to state public service commissions.
 - NRDC Action Votes and EDF Action Votes announced a \$650,000 television and digital campaign to boost Colorado Gov. John Hickenlooper in his race to unseat GOP Sen. Cory Gardner.

STATE & LOCAL GOVERNMENT NEWS

- ***Newsom: 'No patience for climate change deniers' amid historic wildfires.*** As California battles another round of life-threatening wildfires, Gov. Gavin Newsom emphasized Tuesday that the state will continue to pursue policies that combat climate change as it faces a prolonged vortex of disasters. Multiple fires erupted over the holiday weekend, including one south of Yosemite National Park that forced dramatic military helicopter rescues and another in Southern California that drew international attention because its suspected cause was a pregnancy gender reveal ceremony. The new round of blazes has forced millions of residents in the nation's most populous state back indoors due to unhealthy air, all in the midst of the pandemic. All told, wildfires have burned 2.3 million acres this year in the parched state — an 1,800-plus percent increase compared to the acres scorched through the same period last year.
 - "I say this lovingly — not as an ideologue, but as someone who prides himself on being open to argument, interested in evidence — but I quite literally have no patience for climate change deniers," Newsom said. "It's completely inconsistent, that point of view, with the reality on the ground, the facts as we are experiencing. You may not believe it intellectually, but your own eyes, your own experiences tell a different story."
- ***Charleston Sues Big Oil for Climate Change Adaptation Costs.*** Charleston, S.C., Mayor John Tecklenburg announced a lawsuit Wednesday in state court against 24 fossil fuel companies, including Exxon Mobil and Chevron, in a bid to hold them accountable for the costs associated with adapting to climate change, including the increased frequency of flooding and capital projects to address sea-level rise. Charleston joins several other U.S. municipalities in efforts to extract money from the fossil fuel companies to pay for adaptation measures, though some have faced an uphill battle from skeptical judges in recent years.

- ***Blue States Sue to Stop Trump's Arctic Refuge Drilling Plan.*** A group of 15 Democratic state attorneys general sued to block the Trump administration's decision to sell drilling rights in the Arctic National Wildlife Refuge, alleging the plan fails to account for the danger to wildlife and climate-change impacts. The plan to open drilling in the 1.56 million-acre coastal plain ignores impacts on polar bears, caribou and the region's other wildlife, Washington Attorney General Bob Ferguson said in a complaint filed in Alaska federal court Wednesday. Environmentalists and Alaska natives challenged the plan in court last month, also arguing the government gave short shrift to the threat to species that inhabit the refuge.

NEW CLIMATE CHANGE STUDIES

- ***Commodity Futures Trading Commission Report: Climate change poses serious risk to financial system.*** The [report](#), compiled by a task force for the Commodity Futures Trading Commission, is the starkest warning to date by a U.S. financial regulator over the stresses that markets will face from climate change, which has become a leading concern for banks and regulators in the European Union, Japan and other nations. "Climate change poses a major risk to the stability of the U.S. financial system and to its ability to sustain the American economy," the CFTC task force said in its report. The document is marked as a final "confidential" report, though some changes may be made in the version set to be released on Wednesday. The nearly three dozen members of the task force convened by CFTC Commissioner Rostin Benham include officials from U.S. banks, asset managers, academia and environmental groups. The report's findings are non-binding but are intended to shape the regulator's understanding of how climate change could strain markets.
- ***Global emissions on the rise toward pre-pandemic levels.*** Despite a 17 percent drop in global emissions at the height of the pandemic in the spring, emissions have started to increase again with more human activity, according to a [report](#) from the World Meteorological Organization. The organization also found that 2016 through 2020 are likely to be the five hottest years on record.
 - "While emissions fell during the peak of the pandemic confinement measures, they have already mostly recovered to within 5 percent of the same period in 2019 and are likely to increase further," António Guterres, secretary-general of the United Nations, said in a release. "This report stresses that short-term lockdowns are no substitute for the sustained climate action that is needed."

INTERNATIONAL NEWS

- ***British Ready to Hand Government More Power on Climate Change.*** The British public wants government to play a bigger role in tackling climate change, including bringing forward a ban on diesel and gasoline cars and taxing frequent fliers. That's the conclusion of a six-month citizens' assembly convened by the U.K. Parliament, which announced its findings Thursday.
 - More than 100 people from a cross section of society took part in the consultation on how to meet the goal of net-zero greenhouse-gas emissions by 2050. Almost 80% of the group, which included climate skeptics, called for a green recovery from the pandemic by limiting investments in polluting industries while boosting spending on low-carbon infrastructure. Its conclusions reveal a society that wants to zero out emissions in a way that doesn't widen inequalities. For example, supporting farmers by making payments

conditional on low-carbon practices and paying landowners to restore peatland or plant trees.

- ***Modi Overhaul of Green Rules Sparks Fears of Return to Grim Past.*** Battered by the pandemic, India's government is making a renewed push to ease environmental laws that were formed as a result of the world's deadliest industrial disaster more than three decades ago. The government is [proposing](#) to reduce public participation, exempt some projects from rigorous appraisal and legalize others that are operating without environmental approval, according to a draft posted by the Environment Ministry.
 - Prime Minister Narendra Modi's administration argues that the rules are too onerous and deter investment in an economy that shrank almost 24% in the second quarter because of the virus. Environmentalists, lawmakers and citizen groups say the changes would only encourage more companies to ignore environmental rules in the belief that authorities don't take them seriously.
- ***France Aims to Offset Paris Carbon Emissions with Clean Hydrogen.*** France's 7 billion euro (\$8.3 billion) plan to use clean hydrogen in industrial processes and transport will cut the country's carbon dioxide output in 2030 by the equivalent of the annual emissions of Paris, the government said. A global race to scale up green hydrogen has begun, with Europe pushing the fuel as key to the bloc's future energy mix.
 - But producing clean hydrogen from water using renewable energy is currently costlier than extracting it from fossil fuels, requiring government subsidies to drive down costs. France will launch tenders as soon as 2021 to create clean hydrogen hubs and electrolyzer factories, targeting 6.5 gigawatts of installed capacity by 2030, the government said Tuesday. It plans to subsidize the use of green hydrogen by refiners and chemicals makers, and the production of equipment such as fuel cells that transform hydrogen into electricity.
- ***Stricter 2030 Climate Goal for EU to Be Unveiled Next Week.*** The European Commission will likely unveil a stricter 2030 emissions-cut target, paving the way for fraught negotiations between governments and lawmakers over accelerating a green shift that will require sweeping overhauls in the functioning of the continent's economy. The European Union is considering tightening its carbon-reduction objective for the next decade to 50%-55%, with the upper end of the range set to become the new goal. Stepping up the pace of lowering discharges from the current binding target of 40% compared to 1990 levels will demand hundreds of billions of euros in investment over the next decade. The planned proposal is part of the European Green Deal, a comprehensive set of measures aimed at turning Europe into the world's first climate-neutral continent by 2050.
- ***China Set to Face European Demands for Tougher Climate Goals.*** The [European Union](#) will press China to toughen its climate goals in three areas when both sides hold a high-level meeting on Monday, according to officials in Brussels.
 - The EU wants Chinese greenhouse-gas emissions to peak by 2025 instead of the country's target date of 2030, two officials told reporters on Friday on the condition of anonymity. The bloc also wants [China](#) to commit to climate neutrality by 2060 and to stop building coal-fired power plants at home and financing them abroad, the people said.

