



BRIEF ON CLIMATE & SUSTAINABILITY

September 18, 2020

DEVELOPMENTS IN CONGRESS

- ***House Democrats Tee Up Vote on Climate-Focused Energy Bill Next Week.*** The House will vote next week on a more-than-900-page energy package billed as a response to climate change. The bill, unveiled Tuesday, has not had a hearing or gone through the regular legislative progress. It would funnel money toward research and development of a number of types of energy while promoting energy efficiency for homes, schools and other buildings. It comes as the Senate last week resolved a roadblock that halted a spring vote on a similar energy bill proposed by Sens. Lisa Murkowski (R-AK) and Joe Manchin (D-WV).
 - House Majority Leader Steny Hoyer (D-MD-05) in a [release](#) said the bill “fulfills House Democrats’ promise to invest in the creation of high-paying jobs by making America a global leader in clean energy. Our climate is changing, and we not only need to take dramatic steps to slow the carbon pollution that has driven this climate crisis, but we must also seize the economic opportunities that this challenge presents.”
 - The Clean Economy and Jobs Innovation Act combines several bills that aim to boost green infrastructure and energy efficiency in buildings, and invest in renewable technologies, energy sources, and workforce training. The measure includes provisions to improve the electricity grid and broaden investments and access to electric vehicles. A section on environmental justice includes several grant programs for underserved communities.
- ***Bipartisan House Plan to Combat Climate Change.*** A new House bipartisan proposal aims to invest significantly in clean energy infrastructure, technology, and tax incentives to reduce greenhouse gas emissions over the next 30 years. The proposal would create a clean electricity standard for the power sector to reduce carbon dioxide emissions by 80% by 2050.
 - The measure also calls for expanded resources for technology for carbon capture, use and storage, and would establish a revamped regulatory framework to modernize the energy grid. Reps. David McKinley (R-W.Va.) and Kurt Schrader (D-Ore.), who have been working on the legislation for months, aim to formally introduce the bill before the end of the year, according to a McKinley spokeswoman.
- ***Bipartisan Senate Bill Focuses on Wildfire Causes.*** Bipartisan legislation introduced by Sen. Feinstein (D-CA) and Sen. Steve Daines (R-MT) would address the most immediate causes of extreme wildfires in the West even though climate change is driving their severity. The bill (S. 4431) would provide grants for commercial timber harvesters to cut down dead trees killed by drought and insects that serve as wildfire fuel.
 - The bill would also spur the use of wildfire fuel breaks in Western forests to help contain the conflagrations, create a training center for help forest managers conduct prescribed

burns, and create a federal program that would help fire-proof homes to make them resistant to extreme blazes, Feinstein said at a Senate Energy and Natural Resources subcommittee hearing.

- Additionally, Sens. Ron Wyden (D-Ore.) and Joe Manchin (D-W.Va.) introduced legislation that would authorize \$300 million for the Forest Service and Interior Department to manage hazardous fuels that cause wildfires through greater use of controlled burns on federal, state, and private land, according to a summary. The National Prescribed Fire Act of 2020 also would use the wildfire disaster account to fund overtime pay for firefighters working on controlled burns.
- ***Senate Passes Bipartisan Conservation Bill.*** The Senate on a voice vote passed legislation that would reauthorize several important conservation programs and expand resources to study chronic wasting disease in deer, elk, and moose. America’s Conservation Enforcement Act (S. 3051), sponsored by Sens. John Barrasso (R-Wyo.), Tom Carper (D-Del.), and Martin Heinrich (D-N.M.), would reauthorize until 2025 the North American Wetlands Act, Chesapeake Bay program, and National Fish and Wildlife Foundation Act.
 - Separately, Barrasso introduced legislation that would reauthorize the Endangered Species Act for the first time since 1992. Barrasso said the bill would “promote the recovery of species and that states need to be leading the efforts to protect local wildlife” in a statement. The committee will hold a legislative hearing on the bill next Wednesday.
- ***Democrats Unveil \$100 Billion Anti-Pollution Bill.*** Sen. Cory Booker (D-N.J.) and Rep. Debra Haaland (D-N.M.) introduced a bill that aims to eliminate pollution disproportionately affecting minority and low-income communities, according to a statement.
- ***Highway, Flood Insurance in Stopgap Bill, Hoyer Says.*** Language to extend the nation’s surface transportation and flood insurance laws will be a part of a government funding measure aimed at avoiding a federal shutdown at the end of the fiscal year Sept. 30, Majority Leader Hoyer said.
 - The surface transportation law (Public Law 114-94) expires Sept. 30 and must be renewed to keep funds flowing to state and local transportation agencies. Top lawmakers said last week they’d back a one-year extension.
- ***Cheney Asks DOJ to Probe Environmental Groups.*** Rep. Liz Cheney (R-Wyo.) has asked the Justice Department to investigate some of the country’s leading environmental groups, arguing that Russia and China are attempting to influence U.S. policies through the groups.
 - The third-ranking House Republican, in a letter to Attorney General William Barr this month, asserted that the interests of environmentalists align with those of foreign governments when it comes to energy policy.
 - “I urge the Department to investigate Chinese and Russian attempts to influence environmental and energy policy in the United States, including within or through such groups as the NRDC, Sea Change, the Sierra Club, and others,” she concluded.
- ***Ag Senators Rail Against Reports of Refinery Bailout.*** Ag champions flew to the defense of the Agriculture Department as Reuters reported Wednesday the possibility that the administration would funnel \$300 million of USDA’s budget to small refiners.
 - The money would be intended to help the small refiners after EPA declined to grant them exemptions from back years of Renewable Fuel Standard mandates. “It is outrageous for the Administration to even consider taking away millions from our farmers to bail out Big Oil,” said Sen. Debbie Stabenow (D-Mich.), the top Democrat on the Agriculture committee.
- ***House Dems Want Answers on NOAA Climate Denier Hire.*** House Natural Resources Chairman Raúl Grijalva (D-AZ-03) and Rep. Jared Huffman (D-CA-02) asked NOAA Administrator Neil Jacobs for information about the apparent decision to hire David Legates as the agency’s deputy

assistant secretary of commerce for environmental observation and prediction. Legates, a University of Delaware professor, has a history of rejecting accepted science related to human impacts on climate change.

- ***Conservation Corps Can Help Prevent Wildfires, Democrat Says.*** Sen. Ron Wyden (D-OR) made the case this week on the Senate floor for an expanded 21st century civilian conservation corps in light of unfolding natural disasters across the country.
 - Thousands of “hard-working, young people” could help reduce hazardous fuels in forests that spark devastating wildfires, stabilize soil to prevent flooding and fix broken communications systems, he said. Wyden is sponsoring legislation ([S.4434](#)) to update and diversify the Civilian Conservation Corps, an idea that has been gaining traction in both parties and chambers, as a way to create much-needed jobs.
- ***Congressional Committees Face Leadership Changes.*** A number of committees on Capitol Hill are looking at leadership changes:
 - Senate Energy and Natural Resources Chair Lisa Murkowski (R-AK) has exhausted her time both as chair and as ranking member of the panel. Aides said they expect Environment and Public Works Chairman John Barrasso (R-WY), who is next in line, to lead the panel.
 - In Senate Environment and Public Works, if Sen. Barrasso takes the helm of Energy, that would create an opening for Sen. Shelley Moore Capito (R-WV), who could become the lone GOP woman chairing a major committee next year.
 - Ranking member of the House Energy & Commerce Committee Greg Walden (R-OR-02) is retiring, leaving the question of who his successor will be up in the air, as the next senior Republican, Rep. Fred Upton (R-MI-06), was chairman of the committee for six years prior.
 - Similarly, House Natural Resources Ranking Member Rob Bishop (R-UT-01) is retiring. Without a clear successor, there are a half-dozen Republicans vying for the position.
 - On the Democratic side, Rep. Nannette Barragan was just added to the House Natural Resources Committee roster.
- ***House Energy & Commerce Holds hearing on Building a 100% Clean Economy:*** On Wednesday, the House Energy and Commerce Subcommittee on Climate Change and the Environment held a remote hearing titled: “Building a 100 Percent Clean Economy: Opportunities for an Equitable, Low-Carbon Recovery.” Chairman Paul Tonko (D-NY-20) opened proceedings by contextualizing previous subcommittee discussions on net-zero carbon emissions goals and infrastructure modernization with the ongoing COVID-19, wildfire, and hurricane crises. He said that putting Americans back to work with greener, higher-paying jobs is his highest priority moving forward, and that doing so will foster a healthier and more resilient economy. Ranking Member John Shimkus (R-IL-15) echoed similar sentiments but focused his remarks on energy affordability and reliability. The Ranking Member urged Congress and his Democratic colleagues not to rush towards a national energy transition strategy without first discussing and accounting for new insecurities that might arise.

TRUMP ADMINISTRATION ACTIONS

- ***Trump Denies Oil Refiners’ Biofuel Blend Exemption Push.*** The Environmental Protection Agency said it won’t retroactively exempt small oil refiners from biofuel blending requirements, a victory for ethanol producers as Trump attempts to shore up support in the U.S. Corn Belt. The EPA said yesterday it would deny “gap-filling” petitions for 2011-18. Refineries didn’t provide information

that would compel a change for the compliance years in question, according to the agency, which consulted with the Energy Department on the decision.

- ***Trump, California Leaders Clash on Climate Change.*** President Donald Trump and California state officials sparred over whether climate change is contributing to out-of-control wildfires across the West, after the president insisted that poor forest management drives the conflagrations.
 - Wade Crowfoot, the secretary of California's Natural Resources Agency, told Trump in a meeting in Sacramento yesterday that a warming climate is making the state's fires worse.
 - "We want to work with you to really recognize the changing climate and what it means to our forests, and actually work together with that science," Crowfoot told the president. "The science is going to be key. If we ignore that science and sort of put our head in the sand and think it's all about vegetation management, we're not going to succeed together protecting Californians."
 - Trump responded: "It'll start getting cooler, you just watch."
- ***NOAA Grants Alaska LNG Permit.*** NOAA approved a federal permit on Wednesday for a proposed liquefied natural gas export terminal in Alaska. The agency granted developers of the Alaska LNG terminal authority to incidentally disturb or kill marine mammals, the last step before FERC can decide whether Alaska Gasline Development Corp. can proceed with construction.
 - The Trump administration has been quickly approving the permits needed for the LNG export terminal and natural gas pipeline. But the \$38 billion pipeline project has been dead in the water since last year, when major investors abandoned the project after costs skyrocketed because of the steel tariffs imposed by the Trump administration and trade tensions with China.
- ***Grading Trump's Rollbacks.*** Trump's rollback of Obama-era climate regulations will cause the United States to pump an extra 1.8 billion tons of greenhouse gases into the atmosphere between now and 2035, at a time when scientists say the world needs to slash its carbon pollution dramatically to avoid catastrophe, climate research firm Rhodium Group said Thursday. Those extra emissions mean that if Trump's rollbacks remain in place, U.S. climate pollution 15 years from now will be 3 percent higher than current projections indicate,

ENERGY ECONOMY NEWS

- ***Half A Million Clean Energy Workers Remain Unemployed.*** The U.S. clean energy sector added 13,556 jobs in August, according to new analysis from BW Research Partnership, leaving 490,341 clean energy workers unemployed because of the recession caused by the coronavirus pandemic. The sector added only 3,195 jobs in July after a whopping 106,000 jobs in June.
- ***FERC Oks Distributed Energy in Power Markets.*** FERC approved a final rule by a 2-1 vote on Thursday that will allow behind-the-meter power products to sell electricity into wholesale energy markets. The rule will require energy markets to allow aggregations of everything from electric vehicles and rooftop solar panels to demand response into organized markets. It could also set off a renewable energy gold-rush, since companies will have access to new revenue streams that could offer incentives to install and own a variety of renewable products.
 - The rule will shield smaller utilities that could see a "greater burden," according to FERC Chairman Neil Chatterjee, and aggregators will need to get FERC's permission in those situations.
 - Commissioner James Danly dissented from the DER order, and his two-page dissent went out Thursday evening. In brief, he thinks FERC is choosing winners and losers in the energy markets. "If the promises of DERs are what they purport to be, the markets will

encourage their development," he writes. "I have greater faith in the power of market forces and in the discernment of the utilities and the States."

- ***BP: Oil Demand May Have Already Peaked.*** The era of steady oil demand growth is over, BP said in a new report released on Monday. Even under BP's most bullish scenario, demand is no better than "broadly flat" for the next two decades as the world moves away from fossil fuels — contrasting many in the industry who have said oil consumption will see decades of growth.

CORPORATE SUSTAINABILITY UPDATES

- ***Business Roundtable Endorses Market-Based Climate Policy.*** The Business Roundtable, a major trade association that includes the heads of some of the largest and most influential companies in the U.S. as members, is endorsing a "market-based mechanism" as part of a plan to sharply curb greenhouse gas emissions that cause climate change. In a statement on its website, the Business Roundtable warned of the threats that climate change posed to the United States, and said although significant progress had been made to reduce greenhouse gas emissions, the uncertainty caused by the patchwork of state and federal efforts was hurting companies.
 - The group also backed the goals of the 2015 Paris agreement of limiting average global temperature increases to 2 degrees Celsius — a sharp break from President Donald Trump, who is planning to make the U.S. the only country in the world to pull out of the pact.
 - "The United States and the international community must aggressively reduce GHG emissions and create incentives for developing new technologies to achieve this goal. Business Roundtable supports a goal of reducing net U.S. GHG emissions by at least 80 percent from 2005 levels by 2050," it said.
- ***Amazon Backs Climate Tech Companies.*** Amazon announced Thursday the initial recipients of its Climate Pledge Fund — a \$2 billion venture investment created in June to spur the development of sustainable technology, as part of the company's wider goal to hit net-zero carbon emissions by 2040.
 - **The five companies are:** CarbonCure Technologies, a technology company that removes carbon dioxide from concrete; Pachama, a nature-based carbon markets tech company; Redwood Materials, which is developing tech for recycling end-of-life Lithium-ion batteries and e-waste; Turntide Technologies, an energy efficiency motors company; and electric-truck startup Rivian, from which Amazon previously announced it would buy 100,000 electric delivery vans.
- ***Patagonia prints election message on clothing tags: 'Vote the a--holes out'.*** The outdoor clothing company Patagonia is calling on customers to vote against candidates who deny the existence of climate change: 'Vote the a--holes out' is now being woven into the labels on some of Patagonia's shorts, NBC News reported Tuesday. Patagonia spokesperson Tessa Byers confirmed to NBC News that the company's 2020 "Men's and Women's Road to Regenerative" organic stand-up shorts contain the message underneath the inside tag.
 - "We have been standing up to climate deniers for almost as long as we've been making those shorts," Byers said. The message is not explicitly directed at the Trump administration but is one that Patagonia founder Yvon Chouinard has historically used, according to Byers.
- ***Facebook Unveils Info Hub to Combat Climate Misinformation.*** Facebook is unveiling a dedicated space to share accurate information about climate change, similar to its hubs for COVID-19 and voting. It has been adding links to the Covid-19 and voting information centers on some user posts on the subjects but hasn't decided when and how it will link to the new climate change

information center, said Nick Clegg, head of global affairs. The information will come from the Intergovernmental Panel on Climate Change and its partner agencies, such as the U.S. National Oceanic and Atmospheric Administration, with the goal of helping clear up confusion among Facebook users about the issue.

- Clegg said the current hubs have “exceeded our expectations” in terms of giving users accurate information on important global issues, but Facebook doesn’t plan to create many more. “We can’t and we shouldn’t clutter Facebook with a sort of multiplicity of hubs,” he said. “That would devalue the impact of each of those hubs.”
- ***Daimler, Mercedes-Benz Diesel Emissions Deal.*** German automaker Daimler and its American subsidiary Mercedes-Benz USA agreed yesterday to settle allegations they violated U.S. and California emission rules in an agreement topping \$1.5 billion in penalties and other costs. Separately, Daimler said it has agreed to pay \$700 million to settle a U.S. class-action lawsuit, bringing the total related to the alleged violations to \$2.2 billion.
- ***Google Targets 100% Renewable Power For its Data Centers by 2030:*** By the start of the next decade Google wants to make sure all the electricity it uses for its data centers and offices will be truly 100% renewable. Under its previous pledge the tech giant has been mostly offsetting all of its electricity with renewable energy certificates as well as buying power directly from some projects.

2020 ELECTION NEWS

- ***Biden, Trump split on climate, wildfires.*** President Donald Trump visited California on Monday and reaffirmed his belief that the state's deadly wildfires are the result of poor forest management — despite being face-to-face with state officials who directly connected the flames to established science that says climate change is a primary factor.
 - Trump pointedly rejected the climate science that shows global temperatures will continue rising because of increasing greenhouse gases from using fossil fuels. While forest management plays a role, scientists say the drier, hotter conditions and shifting precipitation patterns brought by climate change are a primary factor for recent wildfires.
 - Democratic presidential nominee Joe Biden, on the other hand, pitched himself as the only choice to combat climate change. He described Trump as someone who was unwilling to acknowledge the threat posed by climate change and that it was characteristic of his inability to steer the country through various concurrent crises.
 - “If you give a climate arsonist four more years in the White House, why would anyone be surprised if we have more of America ablaze?” Biden said.
 - “He fails to protect us from the pandemic, from an economic free fall, from racial unrest, from the ravages of climate change,” Biden said, before parroting one of the president’s signature lines of attack: “It’s clear that we’re not safe in Donald Trump’s America. This is Donald Trump’s America. He’s in charge.”
- ***EDF Launches \$1 million TV Ad Attacking McSally.*** EDF Action Votes, the political arm of the Environmental Defense Fund, launched a TV ad spot in the Phoenix media market yesterday. The ad, titled “Sick,” calls Sen. Martha McSally’s (R-Ariz.) health care and environmental voting record “broken promises” to the state’s residents. The embattled Arizona Republican supported the Trump administration’s rollback of the Clean Power Plan and has voted to repeal the Affordable Care Act. Phoenix has some of the worst air pollution in the country and the spot explicitly links air pollution to resident’s health problems.

STATE & LOCAL GOVERNMENT NEWS

- ***States and cities scramble to sue oil companies over climate change.*** In a wave of recent lawsuits, more than a dozen state and local governments are demanding some of the nation's biggest energy firms pay for the cost of dealing with increasing temperatures and rising seas. The litigation, bolstered by science and likened to cancer suits in the 1990s against Big Tobacco, has the potential to be a financial reckoning for an already struggling industry in the United States. But prosecutors face significant legal hurdles to prove in court that the oil industry deceived the public on climate change and needs to be held liable for their products' emissions. The latest to file suit is Connecticut, which on Monday alleged that ExxonMobil, the nation's largest oil and gas company, misled the public on climate change for decades. William Tong, the state's attorney general, said ExxonMobil's actions left the state, with more than 600 miles of coastline, ill-prepared for sea-level rise and more intense storms.
 - But the oil industry contends that using the courts to force specific firms to shoulder the cost of a worldwide problem such as global warming, for which everyone bears some responsibility, is unrealistic.
 - "Lawsuits are precisely the wrong mechanisms to determine the appropriate way to address climate change," said Scott Segal, an attorney with Bracewell LLP, which often represents energy companies in Washington. "It is impossible to determine what emissions source results in what harm, meaning that causation is impossible to determine."
- ***California-Led Coalition Sues EPA for Lifting Methane Rules.*** California is heading to court yet again over an EPA rollback, this time challenging the agency's decision to scuttle Obama-era restrictions on methane emissions from the oil and gas industry. Attorney General Xavier Becerra (D) led a coalition of two dozen states in a lawsuit filed yesterday in the U.S. Court of Appeals for the District of Columbia Circuit. They accused the Environmental Protection Agency of ignoring the climate impacts of unchecked releases of methane, a potent greenhouse gas, while fires rage in the West and extreme weather batters other regions.

NEW CLIMATE CHANGE STUDIES

- ***R&D Spending as Stimulus.*** The Bill Gates-founded Breakthrough Energy organization argued in a new report that funding research and development would provide an immediate economic and jobs stimulus while setting up a more sustainable long-term economy that reduces greenhouse gas emissions. Federal research spending led to 2.7 indirect jobs for every direct job it creates across the energy, defense and health sectors for a total of 1.6 million jobs, pumping \$200 billion into the economy in 2018, the report found. Those figures are for current federal research and development spending, which is at a level of 0.6 percent of GDP, below the historical average of 1 percent of GDP. Investments at the 1 percent level through the next decade would support 2.7 million jobs annually, according to an analysis performed by PwC.

INTERNATIONAL NEWS

- ***New Japan PM Suga to Aim for Higher Renewable Goal.*** Yoshihide Suga, Japan's new prime minister, understands the need to raise the share of green energy in Japan's total power generation to at least 30% by 2030 to help the nation meet its emission targets under the Paris Agreement on climate change. "We expect the Suga-led government to take additional steps for expansion of renewable energy," Masahiko Shibayama, who leads the pro-green power group of more than 100 members of the ruling Liberal Democratic Party, said in an interview in Tokyo on Wednesday. Japan's current target under its basic energy plan -- last renewed in 2018 and

scheduled to be revised next year -- is to raise the share of power from renewable sources to 22%-24% by 2030, from 17% in the year ended in March 2019.

- ***US DOJ Fights to Revive Suit Against California-Quebec Climate Pact.*** The Justice Department is fighting a court ruling that the U.S. failed to show why California's efforts with Quebec to combat climate change interfered with President Donald Trump's constitutional authority to conduct foreign relations.
 - A notice of appeal filed Monday with the U.S. Court of Appeals for the Ninth Circuit suggests the administration remains undeterred by the U.S. District Court for the Eastern District of California's decision to toss the lawsuit against the California-Quebec pact.
 - The Justice Department launched what was an unusual legal challenge to the California-Quebec program last year, arguing that allowing the two jurisdictions to engage in emissions trading intruded on the federal government's authority to negotiate treaties and other agreements, and violated the Constitution.
 - But the district court ruled in July that the Trump administration had failed to demonstrate that a president's unique authority in negotiating with foreign governments "has been substantially circumscribed or compromised by California's cap-and-trade program."
 - A Trump administration victory at the Ninth Circuit could ultimately undercut other state efforts to curb greenhouse gas emissions, including the Regional Greenhouse Gas Initiative that sets out emissions trading from power plants among northeastern and mid-Atlantic states.
- ***Europe Pitches Massive Economic Overhaul in New Climate Plan.*** The 27-nation EU should tighten its emissions-cutting goal to at least 55% by 2030, European Commission President Ursula von der Leyen said on Wednesday. The current objective agreed just six years ago is a cut of 40% from 1990 levels. The commission president also announced that the EU would sell 225 billion euros (\$267 billion) of green bonds as part of its 750 billion-euro pandemic recovery fund, which will be equivalent to roughly all the green securities sold globally last year.
 - "I recognize that this increase from 40% to 55% is too much for some, and not enough for others," von der Leyen told the European Parliament in Brussels during her first state-of-the-union speech. "But our impact assessment clearly shows that our economy and industry can manage this."
- ***New Zealand Pushes Banks to Report on Climate Risks From 2023.*** New Zealand plans to require financial companies to make climate-related disclosures, putting the nation in the vanguard of such reporting requirements. Banks, insurers and credit unions are among the financial institutions that would be required to disclose exposure to climate risk as early as 2023, according to the Ministry for the Environment. The mandatory regime would need to be approved by parliament.
 - Around 200 organizations would be required to disclose exposure to climate risk, including listed companies and large financial institutions with more than NZ\$1 billion (\$673 million) in assets under management, the statement said. Disclosures would include descriptions of the board's oversight of climate-related risks and opportunities as well as processes and targets.
 - "What gets measured, gets managed -- and if businesses know how climate change will impact them in the future, they can change and adopt low carbon strategies," James Shaw, New Zealand's climate change minister, said in a separate statement.

