



BRIEF ON CLIMATE & SUSTAINABILITY

October 4, 2020

DEVELOPMENTS IN CONGRESS

- ***Democrats Unveil Climate Preparedness Legislation.*** Sen. Amy Klobuchar (D-Minn.) and House Oversight and Reform Chairwoman Carolyn Maloney (D-N.Y.) announced legislation last Friday that would require federal agencies to create a climate change adaptation plan and establish a council on climate preparedness and resilience. The legislation is modeled on executive orders from former President Barack Obama to build climate change preparedness, mitigation, and resilience into federal government operations, the lawmakers said in a [statement](#).
- ***Quantum Science Bill.*** Reps. Frank Lucas (R-Okla.) and Jerry McNerney (D-Calif.) introduced a [bill](#) that seeks to advance quantum science research at the Energy Department. It would establish public-private partnerships between research institutions and industry.
- ***Grijalva Prepping Major Ocean Climate Legislation.*** House Natural Resources panel Chairman Raúl Grijalva (D-Ariz.) is hoping to unveil a robust bill in October offering climate crisis solutions focused on ocean health and protecting the marine ecosystem, according to a Democratic committee aide. The aide said staff and members have “been spending a ton of time on it” and the legislation—at nearly 300 pages long so far—centers on integrating ocean conservation into the climate debate using science. Former presidential contender Sen. Elizabeth Warren (D-Mass.) last year floated a “Blue New Deal” to restore oceans and help fight climate change.
- ***Bipartisan Bill Targets Wildlife Markets.*** Reps. Mike Quigley (D-Ill.) and Fred Upton (R-Mich.), and Sens. Cory Booker (D-N.J.) and John Cornyn (R-Texas) released bipartisan, bicameral [legislation](#) that targets wildlife markets like those in China that have been blamed as the source of zoonotic epidemics such as Covid-19.
 - The bill would empower the State Department to utilize economic and diplomatic penalties in efforts to shut down wildlife markets abroad. It would also ban the import, export, and sale of live wildlife in the U.S. for human consumption as food or medicine.
- ***Oil and Gas Leasing Bill Advances.*** House Natural Resources members advanced in a 20-15 vote [H.R. 3225](#), a bill from California Democrat Mike Levin that would eliminate noncompetitive oil and gas leasing and increase the onshore royalty rate companies pay to 18.5%. The legislation, which attracted several Republican amendments that failed during the markup, also seeks to increase transparency of the oil and gas bidding and leasing process and bolster public participation and notification.
- ***Congress Sends Another Conservation Bill to Trump.*** The House passed [S.3051](#), which would authorize more than \$1 billion for federal wildlife and habitat programs through 2025 and address the challenges of animal disease and invasive species, on Thursday under expedited procedure by voice vote.
 - The Senate passed the measure by voice vote two weeks ago. [S.3051](#), the America’s Conservation Enhancement Act, or ACE Act, would be the second major conservation

package Congress has sent to the president's desk this year, spurred in part by bipartisan desires to pass measures on a popular issue in the run-up to November's election.

President Trump is expected to sign the legislation.

- ***New GOP Energy Bill.*** Rep. Kevin Hern (R-Okla.) introduced legislation Thursday morning that aims to ensure vulnerable communities near federal and tribal lands have access to reliable, affordable energy. The Energy Poverty Prevention and Accountability Act requires reporting from several agencies, including Interior, the Forest Service and the Government Accountability Office, to monitor barriers such as cost for at-risk communities, including low-income, elderly, and Native American communities.
 - The bill also would direct the Congressional Budget Office to report on how legislation affects energy costs for those communities. The Office of Management and Budget would have to analyze energy regulations that have an effect of \$100 million or more on the economy under the bill.

TRUMP ADMINISTRATION ACTIONS

- ***The Interior Department Suppressed Alaska Drilling Study.*** The Washington Post alleged that U.S. Geological Survey Director James Reilly is delaying the release of a study that shows how oil and gas drilling in Alaska threatens the survival of polar bears. Reilly refused to make public the study by USGS scientists — which has been ready for at least three months — on the number of female polar bears that den and give birth in the National Petroleum Reserve-Alaska near the southern Beaufort Sea, the same area the Trump administration has opened up for oil and natural gas development. A spokesperson for the agency denied that the move was unusual.
- ***Interior Concerned About Oversight of International Conservation Grants.*** The Fish and Wildlife Service International Conservation Grant Program needs stronger oversight because of concerns that taxpayer money is winding up funding individuals and organizations engaged in human rights abuses abroad, according to a memo from Deputy Secretary Kate MacGregor. MacGregor's memo concluded that "additional controls are necessary in order to ensure taxpayer funds are spent reasonably and consistently with all laws, rules, regulations and no further funding may be awarded until such deficiencies are corrected."
- ***Trump EPA Chief Blasts California's Electric Vehicle Plan.*** EPA Administrator Andrew Wheeler took issue with California Governor Gavin Newsom's plan to ban the sale of conventional, gasoline-powered cars after 2035, questioning the legality of the initiative as well as the state's ability to generate enough power to support a surge of electric vehicles.
 - A wave of rolling blackouts in California "begs the question of how you expect to run an electric car fleet that will come with significant increases in electricity demand, when you can't even keep the lights on today," EPA Administrator Andrew Wheeler said.
- ***Court Rules Land Bureau's Top Official Serving Unlawfully.*** William Perry Pendley has been serving unlawfully atop the Interior Department's Bureau of Land Management and can no longer act as the agency's de facto leader, a federal court ruled Friday. The U.S. District Court for the District of Montana sided with Montana Gov. Steve Bullock (D), finding that Interior Secretary David Bernhardt's indefinite delegation of director duties to Pendley violated the Federal Vacancies Reform Act.
 - "Pendley has served and continues to serve unlawfully as the Acting BLM Director," Chief Judge Brian Morris wrote. "His ascent to Acting BLM Director did not follow any of the permissible paths set forth by the U.S. Constitution or the FVRA."
 - The Interior Department plans to "immediately" appeal the decision, spokesman Conner D. Swanson said. "This is an outrageous decision that is well outside the bounds of the

law,” he said in an email. “It betrays long-standing practice of the Department going back several administrations.”

- ***Biggest U.S. National Forest to Open Roads, Logging, Mining.*** The U.S. Forest Service wants to open the largest remaining U.S. coastal temperate rainforest, Alaska’s Tongass, to new logging, mining, and roadbuilding, according to a plan announced Friday. The agency released the final environmental impact statement for its plan calling for the end of many protections for the Tongass National Forest, which is larger than the state of West Virginia. The move will exempt the forest from the Alaska Roadless Rule, which prohibits logging, mining, and roadbuilding on about 55% of its land.
- ***EPA Urges Court to Preserve Rollback of Methane Standards.*** Justice Department lawyers representing the Environmental Protection Agency say legal attacks from states and environmentalists are unfounded and fail to meet the high legal bar for a court to freeze a regulatory move. The EPA published the rule in question earlier this month, scrapping Obama-era standards for emissions of methane—a potent greenhouse gas—from new oil and gas sites, and exempting transmission and storage sites from the remaining emissions standards for new sources in the industry.
 - “The Rule under review properly implements Congress’s direction,” they wrote in a brief filed late Monday in the U.S. Court of Appeals for the District of Columbia Circuit. “It recognizes that EPA has only the authority that Congress granted.”
 - The D.C. Circuit issued a temporary freeze Sept. 17, a procedural move to allow each side to make its case for a longer-term suspension of the rescission. If the court rules against the EPA, the Obama-era restrictions are poised to stay in effect for at least several months while the court considers legal arguments for and against the rollback.
- ***Trump’s Offshore Oil Ban to Halt Coastal Wind Farms Too.*** The broad reach of Trump’s recent orders, which was confirmed by the Interior Department agency that oversees offshore energy development, comes as renewable developers are spending hundreds of millions of dollars snapping up the rights to build wind farms along the U.S. East Coast.
 - At issue are recent Trump memos ruling out new oil and gas leasing along Florida, Georgia and South and North Carolina from July 1, 2022 until June 30, 2032, issued after some Republicans pressed for a drilling ban and as the president courts voters concerned about the environment. Last Friday, Trump said he would expand the offshore energy moratorium to include Virginia, though he has not yet issued a directive encompassing the territory.
- ***Trump Moves to Expand Rare Earths Mining.*** Trump signed an executive order declaring a national emergency in the mining industry, a move aimed at expanding domestic production of rare earth minerals vital to most manufacturing sectors.
 - The order directs the Interior Department to explore using the Defense Production Act to hasten the development of mines. Trump signed the order on his way to campaign stops in Minnesota, where he has made particular appeals to miners and residents of the state’s “Iron Range” area to support his re-election. Critical minerals have been a focus in the U.S. as China accounted for 80% of total U.S. imports of rare-earth compounds and metals last year.

ENERGY ECONOMY NEWS

- ***FERC Sees Support for Carbon Price.*** Power companies told FERC they supported putting a price on carbon dioxide, at least at the regional level, while legal experts said the existing framework of laws gave the regulator the ability to implement it. That was the takeaway from FERC’s technical

conference on Wednesday, where academics, power company investors and executives gathered virtually.

- Each offered divergent views on how FERC should incorporate the costs to account for the greenhouse gas into the electricity markets, but there was near unanimity among the participants that putting a price on the pollution from fossil fuels was the most efficient way to curb the emissions driving climate change.
- ***Critics See Bailout in Feds Buying Oil Debt.*** The U.S. government has used emergency pandemic aid to purchase more than \$355 million in bonds issued by companies in the battered oil and gas industry, according to a report released by critics who say the investments amount to a bailout.
 - The Federal Reserve began buying corporate debt to shore up the reeling economy in March. Some of the acquisitions benefited drillers, integrated and independent refiners, pipelines, and oil field services companies, according to the report, released by the advocacy group Public Citizen along with the environmental groups Friends of the Earth and Bailout Watch.

CORPORATE SUSTAINABILITY UPDATES

- ***Conservation Groups Demand Facebook Stop Misinformation.*** Conservation groups called on Facebook to "do some serious soul-searching" in order to stop the spread of bias, racism and disinformation on its platform. In a letter Wednesday to CEO Mark Zuckerberg, the groups say the tech company "simply needs to do more" to stop racist engagement, including fixing its "algorithmic lean to boosting racist posts."
 - The letter, led by the National Wildlife Federation and Conservation Northwest, said groups "are seeing the impact of hate and racism in our work."
 - "We will not succeed as a nation until nature and a healthful environment are truly available to all," they write. "Facebook has to recognize its role in fostering an environment that perpetuates the culture of racism and hate that puts nature out of bounds."
- ***Polaris Taps Zero Motorcycles to Electrify Its Off-Road Vehicles.*** Polaris is buying the technology needed to take the leap into electrification through a 10-year exclusive supplier agreement, while Zero, a closely held 14-year-old company that's yet to turn a profit, will be able to lower costs by buying parts through Polaris's supply chain, the companies said. Polaris plans to offer electric options across its off-road-vehicle and snowmobile lines by 2025, with the first electric model due at the end of 2021.
 - "I've been a vocal proponent of not pursuing electric in power sports until it made sense," Scott Wine, chief executive officer of Medina, Minnesota-based Polaris, said in an interview. "What's really happened over the last couple of years is, we've seen the battery prices come down."
- ***Cambridge University Ending Fossil Fuel Investments.*** The University of Cambridge said Thursday that it will kick all fossil fuel investments out of its portfolio within the next decade as part of a plan to end the emissions of greenhouse gases it's responsible for by 2038. The centuries-old English institution is joining a growing list of universities around the world giving in to pressure from environmental campaigners, including their own students, to act against climate change.
 - "The university is responding comprehensively to a pressing environmental and moral need for action with an historic announcement that demonstrates our determination to seek solutions to the climate crisis," Vice Chancellor Stephen Toope said in his annual university address. "We will approach with renewed confidence our collaborations with

government, industry and research partners around the world as together we work for a zero-carbon future.”

2020 ELECTION NEWS

- ***Bolsonaro Slams Biden’s Plan to Stop Amazon Deforestation.*** Brazilian President Jair Bolsonaro hit back against U.S. presidential candidate Joe Biden’s suggestion that Brazil could suffer economic consequences if it does not stop Amazon deforestation, calling it a “shame” and “a sign of contempt.” Biden said in Tuesday’s debate that, if elected president, his administration would rejoin the Paris Agreement and rally wealthy nations to protect Brazil’s rainforest as part of a greater effort to combat climate change.
- ***Tuesday’s Debate: A Milestone in the History of Climate Politics.*** During the debate, President Trump expressed support for electric cars after moderator Chris Wallace asked him the first-ever question about climate change in a general election presidential debate. In fact, Trump is not all for electric cars; he’s mocked them, and his policies have penalized them.
 - He certainly hasn’t given big incentives to electric cars; he actually tried to eliminate the existing incentives. But he clearly would prefer not to be seen as an enemy of the climate.
 - That is a milestone in the history of climate politics. Global warming has been dismissed for years as a niche concern for the tree-hugging fringe, but not only has it become the kind of mainstream issue that even a moderator from Fox News deemed worthy of prime time, it has become the kind of hot-button issue that even a Republican president who used to call it a hoax manufactured in China feels the need to dissemble about.
- ***Joe Biden Walks Political Tightrope by Saying He Does Not Support the Green New Deal.*** Fox News host Chris Wallace put the former vice president on the spot about the plan that has earned rapturous support among some younger voters animated by the issue of rising global temperatures – a group Biden has struggled to recruit. Biden emphasized that he has his own plan for tackling climate change separate from the outline put forward last year by Rep. Alexandria Ocasio-Cortez (D-N.Y.) and Edward J. Markey (D-Mass.).
 - “I don’t support the Green New Deal,” Biden said when pressed by Wallace. “I support the Biden plan I put forward.” While Biden has managed in the past to praise the Green New Deal without fully endorsing it, his most recent comments in front of a live television audience have the potential to reopen old intraparty wounds.

STATE & LOCAL GOVERNMENT NEWS

- ***Cities Snub Nuclear Power Mini Reactors.*** A project to revive nuclear power by demonstrating the viability of small, factory-built reactors has a problem: At least two cities that agreed to participate have pulled out and others may join them before a Sept. 30 deadline. The defections from the group of 35 that had signed up spell trouble for Portland, Oregon-based NuScale Power, which is developing the modular reactors with hundreds of millions of dollars from the U.S. Energy Department.
 - Small reactors have been billed as a way to revive the nuclear industry, which, despite being carbon-free, has been struggling amid high costs and competition from cheaper natural gas and renewable energy. The reactors, some as small as a single-family house, are faster and less costly to build than conventional ones because they can be constructed in a factory and shipped out.

- ***Supreme Court to decide whether climate suit can be moved to federal court.*** The Supreme Court says it will hear arguments over whether the city of Baltimore’s lawsuit against several oil companies can be moved to federal court. The high court on Friday granted oil companies’ request to review the issue.
 - The companies are currently being sued by the Baltimore city government, which alleges that their production and misleading marketing of fossil fuels has exacerbated climate change. The city has pushed for the case to remain in state court, while the oil companies want it in federal court.

NEW CLIMATE CHANGE STUDIES

- ***1 in 4 Childless Adults Say Climate Change Has Factored into Their Reproductive Decisions.*** A new poll from Morning Consult shows that for some childless adults, climate change looms large when they consider whether or not to reproduce. According to recent Morning Consult data, 11 percent of that group say climate change is a “major reason” they do not currently have children, and 15 percent say it plays a minor role. While climate change was among the least-cited reasons for those who do not currently have children (behind financial, political and career concerns, among others), the fact that it comes to mind for a quarter of respondents underscores the fact that its impacts are becoming increasingly visible to the public.

INTERNATIONAL NEWS

- ***TC Energy Signs Agreement for Indigenous Stake in Keystone XL.*** TC Energy will allow an alliance of Canadian indigenous communities to pursue a stake in the Keystone XL pipeline project that faces a growing threat of being halted by a new U.S. administration. The pipeline operator signed a memorandum of understanding with Natural Law Energy, a treaty alliance of five first nations in Alberta and Saskatchewan, allowing them to pursue an equity stake in Keystone XL and “other potential related midstream and power projects,” TC Energy said in a statement. Terms of the MOU were not specified. A final agreement is expected in the fourth quarter, the company said.
- ***U.K. Plans to Create Offshore Grid to Connect Wind Farms.*** National Grid Plc outlined a plan for an offshore grid that will link new wind parks and interconnectors, saving consumers 6 billion pounds (\$7.7 billion) by 2050. The network operator’s vision tackles the problem of how best to bring electricity produced at offshore facilities to the grid. Pairing multi-purpose interconnectors with wind capacity could bring a 50% reduction in how much grid infrastructure needs to be built in the next three decades. The U.K. is the largest market in the world for offshore wind and has set a target to build 40 gigawatts by 2030, a four-fold increase from now.
 - Achieving this would cost as much as 50 billion pounds and require one turbine to be installed every weekday during the whole of the 2020s, according to Aurora Energy Research. Linking all this capacity to the onshore grid is likely to be both costly and difficult.
- ***Carbon Border Tax Emerges in EU as Weapon to Protect Green Deal.*** The measure being drafted by the EU’s executive arm will penalize the greenhouse-gas pollution produced by factories outside the region that ship their products into Europe.
 - The so-called Carbon Border Adjustment Mechanism is meant to ensure that domestic industries most at risk from stricter climate policies aren’t hurt by the Green Deal. Designing a carbon border tax that both works and complies with World Trade Organization rules is a major challenge.

- The European Roundtable on Climate Change and Sustainable Transition, a research group in Brussels, consulted lawmakers, EU trading partners and affected industries and set out its outlook in a major study of the options policy makers could adopt. It expects a price should be put on imports of emissions-intensive goods, exemptions to be granted for the poorest nations and funds raised by the levy diverted to help pay for Europe's green economic recovery.
- ***Ford-Union Deal A 'Breakthrough' for Canada's Electric Vehicles.*** Canada's largest automaker union has ratified a C\$1.95 billion (\$1.46 billion) deal to have Ford build electric vehicles in Ontario, raising the prospect of more battery-powered cars on Canadian roads. Unifor members voted 81% in favor of a new collective agreement with the Ford Motor Co. of Canada Ltd., the union announced Monday. The deal includes a plan to have the Oakville Assembly Complex produce battery-powered passenger vehicles by 2026.
 - "This agreement is perfect timing and positions our members at the forefront of the electric vehicle transformation," Unifor President Jerry Dias said in a statement.
 - Experts and advocates hailed the Ford-Unifor agreement as a big step forward for the increased adoption of electric vehicles in Canada, but said the federal government still has many hurdles to overcome before it stands a chance of meeting its own goals on the file.

