



## BRIEF ON CLIMATE & SUSTAINABILITY

February 19, 2021

### DEVELOPMENTS IN CONGRESS

- **Moore Capito Presses White House on Forever Chemicals Rule.** Sen. Shelley Moore Capito (R-WV), the top Republican on the Senate Environment and Public Works Committee, wrote White House Chief of Staff Ron Klain, urging the administration to finalize a regulation that would allow EPA to craft a drinking water limit for two “forever chemicals.”
  - The final “regulatory determination” for PFOA and PFOS was signed in the waning days of the Trump administration but blocked from publication in the Federal Register as part of a broad regulatory freeze issued by the Biden administration.
  - EPA spokesperson Nick Conger said by email that the agency is following White House directives as it weighs next steps on PFAS and is “committed to addressing this complex public health challenge.”
- **Haaland Hearing Set.** The Senate Energy and Natural Resources Committee will hold a confirmation hearing for Interior secretary nominee Rep. Deb Haaland (D-N.M.) on Feb. 23.
  - The hearing may be one of the most contentious yet: some Republicans on the panel, including ranking member Sen. John Barrasso (R-Wyo.), have already signaled they will oppose her nomination.
- **House Slated to Vote on Land Protection Legislation.** House Natural Resources Chair Raúl Grijalva (D-Ariz.) announced Tuesday that on Feb. 23, the House is slated to vote on sweeping legislation that would permanently protect the area around the Grand Canyon and several hundred thousand acres in Colorado from new oil and gas development.
  - The hefty package, [H.R. 803 \(117\)](#), is cobbled together from a group of bills considered in prior sessions of Congress, but may stand a better chance now that Democrats control the Senate.
- **Climate Hawk Takes Key Appropriations Gavel.** Sen. Jeff Merkley (D-Ore.), a staunch advocate for action on climate change, will chair the Appropriations Committee subpanel responsible for funding the EPA and Interior Department, [the full committee announced Friday](#).
  - Merkley, an original cosponsor of the Green New Deal resolution, S. Res. 59 (116), replaces retired Sen. Tom Udall (D-N.M.) as the top Democrat on the subpanel.
- **House Natural Resources Committee Fills Out Leadership Roster.** Natural Resources Chair Raul Grijalva (D-Ariz.) and ranking member Bruce Westerman (R-Ark.) announced the panel’s subcommittee leadership:
  - Energy and Mineral Resources: Chair Alan Lowenthal (D-Calif.) and ranking member Pete Stauber (R-Minn.)
  - Indigenous Peoples: Chair Teresa Leger Fernández (D-N.M.) and ranking member Don Young (R-Alaska)
  - National Parks, Forests, and Public Lands: Chair Joe Neguse (D-Colo.) and ranking member Russ Fulcher (R-Idaho)

- Oversight and Investigations: Chair Katie Porter (D-Calif.) and ranking member Paul Gosar (R-Ariz.)
- Water, Oceans, and Wildlife: Chair Jared Huffman (D-Calif.) and ranking member Cliff Bentz (R-Ore.)
- ***House Democrats Prepare Clean Energy Bill for Release Soon.*** House Energy and Commerce Chair Frank Pallone plans to introduce in the “coming weeks” an updated version of draft climate legislation aimed at getting to a 100% clean economy by 2050.
  - The CLEAN Future Act will serve as “the basis for comprehensive climate action this year,” the New Jersey Democrat said during an Energy Subcommittee hearing and will include a federal clean electricity standard.
  - The draft bill introduced last year by Pallone, and Reps. Bobby Rush (D-Ill.) and Paul Tonko (D-N.Y.), touched on whole energy economy, from power sector to buildings to transportation.
- ***EPW Sets Infrastructure Hearing.*** The Senate Environment and Public Works Committee scheduled a hearing on transportation infrastructure for Feb. 24. The hearing is titled “Building Back Better: Investing in Transportation while Addressing Climate Change, Improving Equity, and Fostering Economic Growth and Innovation.”
  - Chair Tom Carper (D-Del.) said last week he was planning a hearing on the reauthorization of the federal surface transportation programs that will include “a strong climate title.” He said he’s aiming to report the bill out of committee in May.
- ***Bipartisan Bill Would Extend Carbon Capture Tax Credit.*** Reps. David McKinley (R-W.Va.) and Marc Veasey (D-Texas) reintroduced legislation that would extend until 2036 the federal 45Q tax credit to incentivize carbon capture, utilization, and storage projects. The current credit expires in 2026.
  - The bill also includes language that would offer taxpayers a direct pay option to use the credits earned as payment for taxes.
  - The legislation would ensure CCUS projects underway continue to move forward and help achieve net-zero carbon emissions by 2050, said Carbon Capture Coalition Director Brad Crabtree in a statement.
  - “This legislation should be considered as part of any major first 100 days legislative package to foster critical climate investments, while creating high-wage jobs for American workers and their communities as they seek to recover from the COVID-19 pandemic,” Crabtree said.
- ***Democrats to Push Clean-Energy Tax Breaks.*** House Ways and Means Chairman Richard Neal (D-Mass.) unveiled plans to pursue tax breaks for renewable energy as a way to ease the shift away from fossil fuels in Biden’s upcoming infrastructure bill.
  - “Transitioning away from fossil fuels is going to require some tax incentives,” Neal said Friday at a virtual tax policy event.
  - Neal said he’s looking at tax incentives for clean energy and renewable technologies, an approach that dovetails with Biden’s campaign promises to boost subsidies for green investments, energy efficiency and electric vehicles.
  - Biden has also directed federal agencies to stop subsidizing fossil fuels and plans to ask Congress to zero-out oil and gas industry incentives. A likely Democratic objective is expanding a tax credit currently valued at as much as \$7,500 for the purchase of an electric vehicle, such as those made by Tesla and Ford.
- ***SEC Climate Report Draws Republicans’ Ire.*** The Biden administration wants the Securities and Exchange Commission to require companies to disclose information about their greenhouse gas emissions, a proposal endorsed in a report released today by the Center for American Progress.

- The proponents contend that mandatory and uniform standards for reporting the information would increase transparency for investors and mitigate the risk that climate change poses to the financial system.
- The report recommends the SEC require all public companies to disclose direct and indirect greenhouse gas emissions. It also calls for mandating companies, including financial institutions, to disclose climate-related risks associated with their operations, and urges the SEC to take an “all-of-agency approach to climate.”
- The idea is already getting pushback from Republicans. Such a mandate would go beyond the agency’s expertise, according to the top Republican on the House Select Committee on the Climate Crisis.
- “I think it is way, way out of their lane; it’s the tail wagging the dog,” Rep. Garret Graves (R-La.) said yesterday during the 2021 U.S. Climate Finance Summit hosted by the Institute of International Finance. Graves said he would “strongly oppose” an aggressive role for the SEC to hold the financial sector’s feet to the fire on emissions disclosures.
- ***Neguse, Wyden Unveil Conservation Corps Bill.*** House Natural Resources Subcommittee on National Parks, Forests and Public Lands Chair Joe Neguse (D-Colo.) and Senate Energy and Natural Resources senior member Ron Wyden (D-Ore.) today unveiled legislation that was originally introduced in 2020 to fund a conservation workforce.
  - The aim of the 21st Century Conservation Corps would include wildfire prevention, maintenance of public lands, and bolstering the outdoor recreation industry with rural job creation, especially amid the coronavirus pandemic, according to a release. Read the one-page summary here and section-by-section summary here.

#### BIDEN ADMINISTRATION ACTIONS AND NEWS

- ***U.S. Officially Rejoins Paris Accord, Vowing to Make Up for Lost Time.*** The United States has officially rejoined the Paris climate accord. Friday marks the first day the country is again part of the international agreement meant to stop the world from warming past a critical climate change threshold — a global average of 2 degrees Celsius above preindustrial levels.
  - Now the Biden administration will try to make up for lost time and repair the country's standing among nations in the global fight against climate change after President Donald Trump made the United States the only nation to drop out of the accord.
  - The administration plans to ratchet up the country's own commitments to reducing emissions while pressing emerging economies such as China and India to curtail construction of coal-fired plants and Brazil to preserve more of the Amazon.
  - On Friday, John F. Kerry, Biden's special climate envoy, will join the Italian and British ambassadors to discuss ways of working together. And the White House is planning to host a broader summit of presidents and prime ministers on April 22 to mark Earth Day.
  - All of that is prelude to a U.N. climate conference in Scotland in November, where world leaders will be expected to arrive with more ambitious climate pledges.
- ***The Carbon Tax Debate.*** Biden’s campaign platform included an “enforcement mechanism” for reducing emissions, which many interpreted as a carbon tax. Some lawmakers are quietly considering whether to push for a tax on carbon emission, and some are hoping the administration will give lawmakers time to work through delicate politics.
  - Major trade groups that have long been aligned with Republicans, including the U.S. Chamber of Commerce, American Petroleum Institute and Business Roundtable, have endorsed a loosely defined “market-based” mechanism for dealing with emissions.

- Many progressive Democrats have grown wary of carbon tax plans, fearing that they are too modest to fully deal with the emissions problem and that they fail to address the disproportionate impact that pollution has on low-income and communities of color; however, Bernie Sanders (I-Vt.) and Alexandria Ocasio-Cortez (D-N.Y.) have indicated a carbon tax could be included as part of climate legislation.
- Fossil fuel defenders on the Democratic party's right flank — notably Sen. Joe Manchin of West Virginia — aren't budging from their opposition.
- ***Biden Balances Unions and Climate.*** Biden's promises to be both the greenest and the most pro-union president in history are on a collision course. Democrats on Capitol Hill have been cranking out bills filled with carrots for developers of zero-emission infrastructure, but with pro-labor strings attached, including prevailing wage, job certification and Buy American provisions.
  - Labor groups that are skeptical that green jobs can sufficiently replace high-paying union jobs in the fossil fuel industry argue that these provisions are the bare minimum; solar and wind producers want to see those labor demands pulled back.
  - Unions say the renewables industry is well out of its infancy and should now come to the table and engage in collective bargaining like other mature industries. "It's pie-in-the-sky bullshit about these green jobs being good middle-class jobs, because they're not," said Terry O'Sullivan, general president of the Laborers' International Union of North America.
- ***Biden's Options on Federal Land Renewable Plans.*** The Biden administration will look to the Obama administration as a blueprint to accelerate wind and solar power development on public lands—but it also may have to borrow some Trump administration policies on environmental impact reviews, trade groups and former Interior officials say.
  - Biden signed an executive order Jan. 27 calling for the Interior Department to review its permitting process for renewables projects on federal lands and waters aiming to boost clean energy production there. The Covid-19 relief bill signed into law in December also requires renewable energy production on federal lands to quintuple by 2025.
  - The key to rapidly building out solar and wind on federal lands is for the administration to proactively identify sites that are best suited for projects—where good renewable resources exist and there's access to electric transmission lines, said Timothy Fox, vice president of research at ClearView Energy Partners in Washington.
  - "Federal land is where the administration has more policy leverage to influence the kind of development there is," including providing developers with "regulatory certainty," Fox said. To that end, the National Environmental Policy Act is seen as an important tool.
- ***Biden Has Chance to Pull Court Left on Environment.*** Biden has an opportunity to shape one of the most important federal courts for environmental policy after Judge David S. Tatel announced plans to take senior status.
  - Tatel has served on the U.S. Court of Appeals for the District of Columbia Circuit for nearly three decades, providing a reliable vote for environmental interests in cases involving anti-pollution laws.
  - Legal observers consider the D.C. Circuit the most important federal court for energy and environmental issues, as provisions of the Clean Air Act, Endangered Species Act, Safe Drinking Water Act, and other statutes funnel legal challenges there.
- ***Ex-Treasury Official Eyed for Climate Position.*** Sarah Bloom Raskin, who served as a top Treasury official in the Obama administration, is being eyed for a new post leading climate-change policy under Treasury Secretary Janet Yellen, according to two people familiar with the matter.
  - Raskin was deputy Treasury secretary from 2014 to 2017. She also spent more than three years as a Federal Reserve governor, overlapping with Yellen's time at the central bank.

- Yellen, during her Senate confirmation hearing last month, said she would set up a “hub” at the Treasury to look at risks to the financial system and tax-policy incentives with respect to the environment.
- ***EPA to Jettison Major Obama Climate Rule, as Biden Eyes a Bigger Push.*** The Biden administration indicated Friday it will not try to resurrect the Clean Power Plan, a controversial Obama-era policy that set climate pollution targets for every state's electricity sector and gave officials flexibility on how they would make those reductions by the end of the decade.
  - Instead, the Environmental Protection Agency said in a federal judicial filing, the Biden administration is seeking a court's blessing to propose a new rule aimed at limiting greenhouse gas pollution from the nation's power plants, which represent the second-largest source of emissions.
  - The EPA did not detail what type of oversight it might pursue instead of the Clean Power Plan, but the Biden administration has made no secret of his intention to aggressively curb greenhouse gas emissions from the power sector, which has done more to cut its carbon output than any other part of the U.S. economy.
- ***White House Knocks Down Greenhouse Gas Proposal:*** The White House Council on Environmental Quality today will strike down a Trump-era proposal that let federal agencies minimize climate change in their decisions, according to a notice in the Federal Register.
  - The Trump administration's June 2019 proposal would have required agencies to take a federal project's greenhouse gas emissions into account only when they are “substantial enough to warrant quantification, and when it is practicable” to do so. But the Biden CEO will tell agencies to “consider all available tools and resources in assessing [greenhouse gas] emissions and climate change effects of their proposed actions.”

### ENERGY ECONOMY NEWS

- ***Top Economists Warn U.S. Against Underestimating Climate Damage.*** Nobel laureate Joseph Stiglitz and Lord Nicholas Stern published a paper yesterday excoriating the U.S. government—and many of their own peers in economics—for methods used to estimate the cost of climate change.
  - Without a new approach to the social cost of carbon, the authors warn that the U.S. is significantly underestimating the financial impact of carbon emissions and hindering Biden's efforts to steer the country toward a net-zero economy by 2050.
  - This warning from two influential economists that policymakers are understating the looming damage from warming temperatures comes just days before Biden's administration is expected to release an interim report on what's known as the “social cost of carbon.”

### CORPORATE SUSTAINABILITY UPDATES

- ***Facebook to Label Climate Change Posts Like Covid, Vote Content.*** Facebook Inc. will begin labeling some user posts that mention climate change in the same way it has annotated posts discussing elections and Covid-19, a sign the social network is taking climate-related misinformation more seriously.
  - The labels will direct users to Facebook's Climate Science Information Center -- an existing hub that includes related news articles, climate change data and recommendations for Pages to follow. The new labels will be added to some posts about climate change, regardless of their accuracy, a strategy Facebook has used with other widely discussed topics as a way to fight falsehoods.

- The expanded labels were announced Thursday alongside a handful of other climate-related updates. Facebook is adding a new section to its information center dedicated to “debunking climate change myths.” The myths will be refuted by experts from a number of universities.
- ***US Commerce Chamber and Bipartisan Policy Center Urge Infrastructure Package.*** The U.S. Chamber of Commerce and the Bipartisan Policy Center led a [letter](#) to lawmakers “urging Congress to enact a fiscally and environmentally responsible infrastructure package that stimulates the economy and improves the quality of life for every American.”
  - The groups called on lawmakers to enact legislation by July 4, 2021 that would “propel public and private efforts to decarbonize our economy in a meaningful way, address infrastructure challenges with both manmade and natural solutions, and close the digital divide by expanding broadband and internet access.”

### NEW CLIMATE CHANGE STUDIES

- ***CAP Report Urges U.S.-India Collaboration.*** The U.S. and India must collaborate to mobilize private finance to fund clean energy technology deployment in India if the world is to have a chance at holding to a 1.5 degrees Celsius temperature threshold, [liberal think tank Center for American Progress argued in a new report](#).
  - The report said that public money from the U.S. International Development Finance Corporation or multilateral development banks can play a role, but it’s the private sector that will have to meet the bulk of the investment targets.
  - India requires another \$2.5 trillion of finance to meet its Paris agreement goals.
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### ENVIRONMENTAL ADVOCACY

- ***Green Group Unveils 2020 Environmental Vote Ratings:*** The League of Conservation Voters yesterday released their [2020 congressional voting scorecard](#), praising House Democrats for pushing pro-environment legislation, and slamming Senate Republicans for ignoring climate bills to push through Trump judicial nominees, Kellie Lunney reports.
- ***Biden EV Push Gets Backing from Health Groups:*** A group of health and medical organizations is urging Congress to support policies that facilitate a transition to electric vehicles. A shift to zero-emissions vehicles would benefit Americans’ health because the transportation industry is a top contributor to air pollution and the biggest source of carbon pollution in the U.S., 17 groups, including the American Lung Association and the American Public Health Association, said in a letter.

### STATE AND LOCAL GOVERNMENT NEWS

- ***Texas Outages May Boost Biden’s Electric Grid Proposal.*** The Texas disaster could be a boon to Biden’s proposal to harden the nation’s electric grid, as the administration seeks to connect giant wind and solar power plants to cities and states thousands of miles away. That infrastructure will be essential to keeping the lights on as more solar, wind and other renewable energy is fed into the grid.
  - Texas’ grid is almost entirely cut off from the rest of the country. In contrast, parts of the Midwest that avoided Texas’ fate are members of regional power networks linked by high-voltage transmission lines.

## MONUMENT ADVOCACY

- Expanding interregional power lines would make the grid more resilient, preventing future crises, the American Council on Renewable Energy said.
- Chair Frank Pallone said that the House Energy and Commerce will investigate this week's failure of the Texas electricity grid.

### INTERNATIONAL NEWS

- ***EU Falling Short on Emissions Reduction Target, WoodMac Says.*** The EU is currently on track to deliver emissions cuts of 46% on 1990 levels by the end of the decade, short of its 55% target, according to energy consultant Wood Mackenzie Ltd.
  - Accelerating the EU's energy transition in line with the Paris climate deal goals will help, as will reforming and broadening the Emissions Trading System--a key plank in the bloc's strategy of putting a price on pollution--and spurring investment in green technology. Private investments in low-carbon opportunities will be also be key to meeting the emissions targets.
  - "To hit the 2030 target, Europe will have to do everything we have assumed, but quicker," said Murray Douglas, a research director at Wood Mackenzie.

