



BRIEF ON CLIMATE & SUSTAINABILITY

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DEVELOPMENTS IN CONGRESS

- ***Climate in Infrastructure Package to Get Big Push From Democrats.*** Democratic lawmakers are planning to double down on addressing climate change in this year's highway bill and infrastructure package, going further than failed attempts last year.
 - Sen. Tom Carper (D-Del), chair of the Committee on Environment and Public Works, said the surface transportation reauthorization bill can play "a central role" in accomplishing President Joe Biden's climate goals. Carper called for investment in infrastructure for walking, biking, and electric fueling stations. He has said that he wants to mark up the bill no later than Memorial Day.
 - Rep. Peter DeFazio (D-Ore.), chair of the House Transportation and Infrastructure Committee, said that Democrats are working on a "transformative bill" that will include policy changes. A major theme of the legislation will be climate change, he said.
 - Sen. Sherrod Brown (D-Ohio), chair of the Banking, Housing, and Urban Affairs committee, which oversees transit, said in an interview that his committee will have a different emphasis than in years past because it will more often factor climate and racial equity into its policies.
 - The Democrats' push for greener infrastructure will likely include a larger focus on electric vehicle adoption. The Biden administration has emphasized the same goal in its recent commitment to introduce 500,000 new public charging stations across the U.S. by 2030.
- ***Public Lands Vote.*** The House will complete consideration of legislation that would designate 2.5 million acres of Western federal land as wilderness, conservation, or recreation areas and prohibit new mining near the Grand Canyon.
 - The package ([H.R. 803](#)) contains measures the House passed in the last Congress and is likely to be sent to the Senate.
- ***Texans Unveil Bipartisan Offshore Energy Bill.*** Reps. Kevin Brady (R) and Henry Cuellar (D) introduced a [bill](#) that would allow coastal states to nominate any federal waters adjacent to their own for inclusion in the federal five-year offshore drilling leasing plan for the Outer Continental Shelf. The More Energy More Jobs Act also would require two area-wide lease sales every year in the Western and Central Gulf of Mexico.
 - "We must work with our states to continue unlocking our offshore energy resources responsibly," said Brady.
 - Cuellar said the offshore oil and gas industry is "essential for job creation, the economy, and national security," and that the bipartisan bill will ensure access to resources "while also maintaining critical environmental safeguards."
- ***Lawmaker Seeks to Stop Postal Service Contract With Limited EVs.*** Rep. Jared Huffman (D-Calif.), who has advocated for the U.S. Postal Service to electrify its vehicle fleet, vowed Thursday to block

a contract the service awarded to Oshkosh Corp. earlier this week. “This is an urgent situation where we cannot allow this contract to go forward,” Huffman said in an interview.

- USPS awarded Oshkosh Defense a \$6 billion, 10-year contract to manufacture a new fleet of as many as 165,000 postal delivery vehicles with “either fuel-efficient internal combustion engines or battery electric powertrains.” Postmaster General Louis DeJoy said Wednesday that the service has plans for only 10% of its new truck fleet to be electric.
- Huffman didn’t specify how lawmakers would seek to block the contract and said several options were being explored. “We’re not powerless,” he added.
- Huffman said that he expects the House infrastructure package will include his proposal to authorize \$6 billion for USPS to purchase largely zero-emission or electric vehicles.
- ***Democrats Pitch Biden on Environmental Justice Measures.*** Sen. Tammy Duckworth (D-Ill.) and Rep. Donald McEachin (D-Va.) led a [letter](#) to President Biden requesting executive action on environmental justice issues.
 - “In this effort, special attention must be given to the industries and communities that are most likely to be impacted by the effects of climate change and the transition to a clean economy,” the lawmakers wrote.
- ***Commerce Panel Reintroduces Ocean Bill.*** Senate Commerce, Science and Transportation Chair Maria Cantwell (D-Wash.) and ranking member Roger Wicker (R-Miss.) reintroduced legislation that would authorize the National Ocean Mapping, Exploration, and Characterization Council and update national priorities for ocean mapping, exploration, and characterization, according to a [statement](#).
- ***Granholm Confirmed, Sworn In.*** Jennifer Granholm was sworn in as the 16th secretary of Energy, putting the former Michigan Governor at the head of agency that will play a key role in implementing Biden’s ambitious climate agenda.
 - The swearing in by Vice President Kamala Harris followed a Senate voted of 64-35 to confirm Granholm to run the sprawling agency, which has an annual budget of \$35 billion and national research laboratories spread across 17 states.
 - Granholm has been criticized by some Republicans frustrated by Biden’s actions against the fossil-fuel industry. But the American Petroleum Institute in a statement focused on working with Granholm. “We welcome the secretary’s recognition of the importance of technological advancement and U.S. LNG exports in building on American energy progress and developing global climate solutions to achieve the ambitions of the Paris Agreement,” API said in the statement.
- ***Senate Confirms Vilsack as Secretary of Agriculture.*** The Senate confirmed Tom Vilsack as Agriculture Secretary, opening the way for the Biden administration to move forward with a farm agenda emphasizing climate change.
 - Vilsack, well-known in Washington and the agriculture industry after serving eight years in the post under Obama, was confirmed 92-7 after less than 15 minutes of debate in the Senate.
 - Vilsack stressed voluntary incentives to farmers to adopt more climate-friendly practices in his confirmation hearings and while campaigning on behalf of Biden during the presidential election campaign. Biden set a goal during the campaign for the U.S. to be the first country to cut its agriculture sector’s net greenhouse gas emissions to zero.
- ***Interior Nominee Haaland Vows ‘Balance’ on Energy, Climate.*** Interior Secretary nominee Deb Haaland stressed at her Senate confirmation hearing Tuesday that she supports energy

independence even as one lawmaker described her nomination as a “proxy fight” over the future of fossil fuels.

- In testimony before the Senate Energy and Natural Resources Committee, Haaland said that she’s committed to striking “the right balance” if confirmed as interior secretary as the department faces support for the use of oil and natural gas while trying to tackle climate change and conserve public lands.
- “We absolutely need energy independence and I believe President Biden agrees with that statement as well. I know that we want to move forward with some clean energy, we want to get to net-zero,” Haaland said. “We will absolutely rely on the fossil [fuel] energy. But at the same time, I think we can move forward with the technology and innovation as well.”
- Haaland, 60, would be the first Native American to lead a Cabinet agency.
- ***Manchin Backs Haaland After Two-Day Hearing.*** Sen. Joe Manchin will vote to confirm Deb Haaland as interior secretary, removing some doubt about the nominee’s prospects after a two-day hearing in front of the West Virginia Democrat’s panel.
 - “While we do not agree on every issue, she reaffirmed her strong commitment to bipartisanship, addressing the diverse needs of our country and maintaining our nation’s energy independence,” Manchin, chairman of the Senate Energy and Natural Resources Committee, said in a statement.
 - Among the issues of concern around Rep. Haaland (D-N.M.) has been the Biden administration’s pause of oil and gas leasing on federal lands. Manchin said earlier at the hearing he supported the administration’s efforts, though he signaled scrutiny of any larger efforts that would make it impossible for companies to work on existing leases.
- ***House Republicans Press Biden on Energy Strategy.*** Reps. Adam Kinzinger (R-Ill.), Michael Burgess (R-Texas), and Dan Crenshaw (R-Texas) led a joint [letter](#) to Biden calling for his support of baseload energy and a conversation about the future of energy.
 - “We write today to underscore the strategic importance of maintaining—and in some cases, expanding—access to sufficient baseload energy sources in the United States,” the lawmakers wrote. “We understand the importance of preserving our resources and our national heritage, and have demonstrated our support for renewable energy technologies. But we also recognize that we cannot disregard the reliable and abundant energy sources like nuclear and natural gas.”
- ***Democrats Unveil Greenhouse Gas Bill.*** Sens. Ed Markey (D-Mass.) and Tom Carper (D-Del.) introduced [legislation](#) with Rep. Jared Huffman (D-Calif.) aimed at curbing greenhouse gas emissions from national highway and transportation systems that constitute the largest contributions to carbon output nationwide.
 - The Generating Resilient, Environmentally Exceptional National (GREEN) Streets Act would direct the Department of Transportation to establish standards and guideposts to encourage states to reduce GHG emissions on their highways. It would also mandate state compliance with limits on per capita vehicle miles traveled through reporting mechanisms and reduction projects.

BIDEN ADMINISTRATION ACTIONS AND NEWS

- ***Biden Issues Battery Order.*** President Biden signed an [executive order](#) calling for a review of the state of domestic supplies of batteries, key battery minerals and semiconductors used in electric cars — along with the “rare earth” minerals used in wind turbines and, potentially, other

materials used in clean energy. The administration wants to figure out how to wean the U.S. off of its reliance on China for many of those EV technologies and avoid shortages that could slow adoption or imperil national security.

- Within 100 days, the Energy Department must deliver a report identifying risks in the battery supply chain and recommend policies to address them, according to the text of the executive order. The departments of Defense and Commerce will prepare similar reports for critical minerals and semiconductors under the plan. In a year, the agencies will release a follow-up with broader recommendations on siting new production plants, training workers, and carrying out high-priority research and development.
- Biden's action was greeted enthusiastically by mining interests, automakers, EV advocates and a few top Republicans. Ford's spokespeople called it "incredibly important" for relieving the semiconductor shortage, and Volkswagen pledged its "full support" for the order.
- ***Vilsack Says USDA Should Move 'Quickly' on Climate Agenda.*** U.S. Agriculture Secretary Tom Vilsack, sworn in on Wednesday, plans to meet with his climate team Friday about measures to reduce greenhouse gas emissions in agriculture, possibly including a carbon bank.
 - Vilsack said: "it is important for us at USDA to do what we can with the resources we have as quickly as we can," and said regarding carbon banks: "I think we should absolutely explore it."
 - Vilsack says he will be "looking at" funding and authority available for climate change programs and "advocating for" additional funding needed. Sources may include department's Commodity Credit Corp., which the Trump administration used to fund trade bailout.
 - Vilsack has repeatedly said he will emphasize voluntary financial incentives to shift U.S. farmers to more climate-friendly agricultural practices
- ***U.S. Airline CEOs to Meet with White House on Cutting Carbon Footprint.*** The chief executives of major U.S. airlines such as American Airlines, United Airlines, Delta Air Lines and Southwest Airlines are among those who have been invited to meet virtually with White House National Climate Adviser Gina McCarthy and economic adviser Brian Deese about efforts to reduce carbon emissions and use renewable fuels.
 - U.S. airlines and renewable energy companies are lobbying the Biden administration to back a big increase in subsidies for lower-carbon aviation fuel. They say new incentives are needed to help fight climate change.
 - Several other countries have already proposed sustainable aviation fuel mandates or are exploring them as a means of addressing increasing carbon output from air travel. A mandate in Norway came into force in January 2020, while the Netherlands is set to have one in place by 2023.
 - Chicago-based Boeing Co. has committed to fly with 100% sustainable aviation fuels by 2030, it said in January.
 - McCarthy said the Biden administration wants to engage every federal agency to decarbonize the U.S. power sector by 2035 and the whole economy by 2050.
- ***Corporate Climate Disclosures to Get Aggressive Scrutiny.*** The Securities and Exchange Commission is boosting scrutiny of how well companies disclose risks that climate change poses to their businesses, one of its first moves to confront an issue that's key to the Biden administration's policy goals. It announced Wednesday that it will update its guidelines on how publicly traded companies should disclose climate change-related risks to investors.

- SEC acting chair Allison Herren Lee will ask the agency's corporate finance group to focus on climate in their reviews of corporate filings that are pored over by investors, the regulator said in a statement. The move could prompt new rules or an update to guidance the regulator issued in 2010 on climate disclosures.
- "Now more than ever, investors are considering climate-related issues when making their investment decisions. It is our responsibility to ensure that they have access to material information when planning for their financial future," said Lee, a Democrat appointed by former President Trump.
- ***Biden EPA Backs Limiting Biofuel Quota Waivers.*** The Biden administration is taking steps that may restrict the ability of oil refineries to get exemptions from a federal biofuel-blending mandate. The Environmental Protection Agency is siding with renewable fuel producers by agreeing with a 10th Circuit Court of Appeals ruling that concluded small refineries are only eligible for those valuable waivers if they have continually received the exemptions.
 - The case is now before the U.S. Supreme Court and the administration is still formulating the arguments it will make in a late March filing.
 - The move represents President Biden's first foray into biofuel policy, an issue that tests his allegiance to rural agricultural interests and refinery workers.
- ***Judges Keep Clean Power Plan on Ice While Biden Crafts New Rules.*** The Clean Power Plan remains sidelined as judges agreed Monday to hold off on scrapping repeal of the Obama-era carbon rule while the Biden administration reviews climate and environmental standards.
 - Judges from the U.S. Court of Appeals for the District of Columbia Circuit won't carry out the mandate to nix the rule that vacated the Clean Power Plan, a decision that follows the legal defeat of the Affordable Clean Energy rule in January.
 - The Environmental Protection Agency asked earlier this month that judges leave the Clean Power Plan in limbo to avoid confusion over whether its obligations would kick in now that the ACE rule is dead.
 - The Biden administration is still in the process of reviewing new climate and environmental rules, including carbon regulations for new and existing power plants.
- ***Biden Reverses Trump's Way of Valuing Climate.*** Biden has reactivated the Obama-era approach to estimating the cost of climate change, a move that will revamp environmental regulations by establishing a much higher dollar value for greenhouse gas emissions in the U.S.
 - The White House will soon revisit values for the "social cost of carbon," a figure that has been used to shape dozens of energy-related regulations. The Trump administration disbanded the interagency group responsible for the work and reduced the estimate to a small fraction of conventional values.
 - Biden was widely expected to release an interim social cost estimate last Friday, but the White House instead published a Federal Register notice that governs how the federal government will conduct climate analysis in reviewing the environmental impact of government projects.
- ***Biden Plans to Update Paris Climate Emissions Target.*** The U.S. is planning to update its climate emissions target under the Paris agreement before a planned global summit with world leaders in April, Canadian Prime Minister Justin Trudeau's office said after his meeting with President Joe Biden on Tuesday.
 - Canada also pledged to join the U.S. in submitting its own new target under the Paris pact, which calls for each member nation to set its own goals toward reducing their emissions of greenhouse gases that contribute to climate change.

- The U.S. must submit a new plan, called a nationally determined contribution, under the terms of its re-entry into the pact.
- Citing the Paris agreement's goal of limiting warming to 1.5 degrees Celsius above pre-industrial temperatures, the two countries said they would seek to work toward reaching net-zero emissions by 2050.

CORPORATE SUSTAINABILITY UPDATES

- ***Business Groups Rally Around Green Infrastructure Plans.*** Business groups are ramping up pressure on the Biden administration to move forward on infrastructure. The growing consensus among business leaders is that an infrastructure package should tackle green initiatives, but executives say they're leaving it to Congress and the White House to determine the provisions and overall price tag.
 - Senate Majority Leader Chuck Schumer (D-N.Y.) on Tuesday said infrastructure, along with technology-focused legislation, will be the next priorities for congressional Democrats following the passage of COVID-19 relief. He indicated that climate change proposals will play a key role in the package; Democrats are hoping that momentum and support from major corporations will help put pressure on Republicans in Congress.
 - The U.S. Chamber of Commerce, along with more than a hundred local chambers and the Bipartisan Policy Center, urged Congress last week to "enact a fiscally and environmentally responsible infrastructure package."
 - Although Biden campaigned on increasing the corporate tax rate, the president is getting pressure from trade groups to not raise taxes as a funding mechanism for infrastructure.
- ***Bill Gates-Led Clean Tech Fund Adds New Billionaire Investors.*** Abigail Johnson, chief executive officer of Fidelity Investments, and Shopify Inc. founder Tobias Lütke have joined as new investors in Breakthrough Energy Ventures, the clean-tech fund led by Bill Gates.
 - Launched in 2016, BEV is one of the largest financiers of companies working on technologies to cut emissions. The fund's first round raised \$1 billion and backed 45 startups, which work on everything from batteries to low-emissions fertilizers. Its investors featured billionaires including Jeff Bezos of Amazon Inc., Jack Ma of Alibaba Group Holding Ltd., and Michael R. Bloomberg, founder of Bloomberg LP.
 - Last month, BEV closed a new round of another \$1 billion with an aim to invest in as many as 50 startups. Aside from Johnson and Lütke, four other new investors joined. They are John Sobrato, a real-estate billionaire; Seth Klarman, chief executive officer of hedge fund Baupost Group; Chris Stolte, founder of Tableau Software Inc.; and Ben Walton, the grandson of Walmart Inc. founder Sam Walton.

ENVIRONMENTAL ADVOCACY

- ***Climate-Proofing Water Systems Needs Billions, Advocates Say.*** Municipal utilities and clean water organizations are calling on Congress to expand the EPA's water infrastructure programs to help them climate change-proof drinking water and wastewater systems following last week's deep freeze in Texas.
 - Water infrastructure advocacy organizations say the deep freeze shows the importance of spending more federal money on preparing vulnerable water works for climate extremes.

- Congressional Democrats say they're prioritizing water infrastructure in their climate resiliency plans—especially after last week's storm. The first step in making water infrastructure more resilient is to reauthorize the EPA's state revolving funds so that they'll prioritize climate change resiliency upgrades to water infrastructure, according to a statement from the Senate Environment and Public Works Committee.
- ***Biden EV Boost Must Cover Environmental Justice, Advocates Say.*** Clean air and climate advocates see Biden's vow to build up massive electric vehicle infrastructure nationwide as a boon—as long as the electrification revolution makes ample space for fenceline communities most affected by vehicle pollution.
 - The Biden administration has pledged to build half a million new electric vehicle charging stations nationwide within the next decade along with electrifying the federal vehicle fleet.
 - The equitable distribution of electric vehicle benefits must be part of discussions moving forward, advocates said. That means rolling out electric vehicle infrastructure that's affordable, accessible, and integrated responsibly to avoid leaving out low-income rural and urban communities who stand to benefit the most from plummeting emissions rates.
- ***Conservation Coalition Eyes Priorities for Infrastructure Package.*** A coalition of ten environment and industry groups is urging congressional leadership to incorporate conservation policy in forthcoming economic recovery and infrastructure legislation to create jobs and tackle climate change.
 - The coalition's legislative priorities include infrastructure resilience, better watershed management, wetland restoration, wildlife habitat protection, greater investment in agricultural conservation programs, and more federal resources for clean water systems throughout the country.
 - "We understand the significant task ahead of Congress to develop and enact policies and funding measures that empower the American people and energize our economy," the coalition wrote in a letter to House and Senate leaders. "Beyond the clear ecological value, investment in the outdoors provides jobs, energizes local economies, improves the resilience of our communities, and holds a lasting public benefit for generations."
 - The coalition includes American Sportfishing Association, Audubon Society, Ducks Unlimited, Environmental Defense Fund, National Marine Manufacturers Association, National Wildlife Federation, Pheasants Forever, Quail Forever, Theodore Roosevelt Conservation Partnership, and Trout Unlimited.
- ***Coalition Says Carbon Capture Tax Change Would Spur Growth.*** More U.S. carbon-capture projects could be deployed if they could claim a federal tax credit as an estimated tax payment, a coalition of business and environmental groups, the Carbon Capture Coalition, said in a report.
 - The option "is the most important next step Congress and the administration can take to enable economywide deployment of carbon capture technologies to meet midcentury climate goals," the report said.
 - The coalition, which includes project developers and energy and industrial companies, issued the [report](#) as a federal policy action blueprint for the 117th Congress and the Biden administration.

- ***Texas Gov. Wants to Mandate Winterization.*** Texas Gov. Greg Abbott (R) plans to make power-plant winterization mandatory and pledged to make state funding available to help pay for the work. In a five-minute televised address, the Republican faulted the state’s grid manager for being ill-prepared for the historic winter storm that paralyzed the second-largest U.S. state for the better part of a week.
- ***Biggest Electric Bus Deal in U.S. Approved in Maryland.*** A school system outside Washington DC is poised to become the nation’s biggest operator of electric school buses. The Board of Education in Maryland’s Montgomery County voted unanimously on Tuesday evening to approve a 16-year, \$169 million contract to lease 326 buses, part of a plan that could result in the county replacing its entire 1,422-bus fleet over the next two decades.
 - The deal represents the largest municipal government order of any kind for buses, according to Monique Hanis, a spokeswoman for Advanced Energy Economy, a business association that promotes clean energy use.
 - The vehicles will be built by Thomas Built Buses Inc., a division of Daimler AG with electric battery technology provided by Proterra Inc. in a deal coordinated by Highland Electric Transportation Inc.
 - Todd Watkins, the transportation director of Montgomery County Public Schools, said the contract would be the first electric school bus contract in the nation that is not dependent on federal grants.

INTERNATIONAL NEWS

- ***Biden-Trudeau Climate Plan May Target Pollution.*** Canada and the U.S. are working on joint environment plans that could include singling out countries with weaker climate laws, Prime Minister Justin Trudeau said.
 - The Canadian leader said in an interview with Bloomberg News that his country’s plans to deepen climate cooperation with the U.S. will include complementary policies that take “into account the emissions profiles of industrial competitors around the world.”
 - Some countries “are producing without having the same kinds of leadership on climate change that the U.S. is bringing into place and that we already have,” Trudeau said one day after a bilateral meeting with Biden and key officials. “That level of transparency and accountability is something that we are concretely looking at moving forward on.”
- ***UN Security Council Takes Up Climate Change Risk for First Time.*** Wealthy nations will come under pressure to boost funding to tackle climate change during a United Nations discussion that will warn how unchecked rising temperatures could lead to wars and mass migration.
 - The UN Security Council’s virtual meeting Tuesday will be led by U.K. Prime Minister Boris Johnson and include participants such as French President Emmanuel Macron and U.S. President Joe Biden’s chief climate envoy, John Kerry. Attendees will focus on climate change risks.
 - The session will highlight the risk of failure by developed countries to deliver on the \$100 billion a year of climate finance that they promised poorer nations at UN talks a decade ago.

