



BRIEF ON CLIMATE & SUSTAINABILITY

February 4, 2021

DEVELOPMENTS IN CONGRESS

- ***Graham Joining the Environment and Public Works Committee.*** Sen. Lindsey Graham (R-S.C.), who a decade ago negotiated for months on ultimately unsuccessful cap and trade legislation, is joining the Environment and Public Works Committee — the highest profile GOP move on energy and environment panels.
 - Freshman Sen. Cynthia Lummis (Wyo.) also joins the committee with jurisdiction over EPA and infrastructure matters, as John Barrasso (Wyo.) and Sens. Mike Braun (Ind.) and Mike Rounds (S.D.) depart the panel. Barrasso becomes the ranking member of the Energy and Natural Resources Committee.
 - Sens. James Lankford (Okla.) and Roger Marshall (Kan.) are the new Republican members of that panel, replacing former Sens. Cory Gardner (Colo.) and Lamar Alexander (Tenn.).
- ***Lawmakers Introduce Climate Emergency Bill.*** Vermont Sen. Bernie Sanders (I) and Democratic Reps. Earl Blumenauer (Ore.) and Alexandria Ocasio-Cortez (N.Y.) [will introduce legislation](#) today that would require the president to declare a national climate emergency under the National Emergencies Act of 1976.
 - **The National Climate Emergency Act** would also require the president to deliver a report within one year of enactment that details actions taken in response to the national emergency, including investments in large-scale mitigation and resiliency projects and to enable a "racially and socially just transition" to a clean energy economy.
 - **The trio has previously sought for Congress** to declare a climate emergency, and today's bill builds on H. Con. Res. 52 (116), a climate emergency resolution from the last Congress. But the idea got a renewed focus recently when Schumer called on Biden to do so — although the extent of such powers is untested.
- ***Bipartisan Bill Would Force EPA To Reassess Biofuel Emissions.*** Sens. John Thune (R-S.D.) and Amy Klobuchar (D-Minn.), along with four of their colleagues, introduced legislation Wednesday that would require EPA to update its modeling on biofuel greenhouse gas emissions.
 - With Biden's EPA likely to tighten greenhouse gas requirements for cars and trucks, biofuel producers are desperate to prove that their product can be an alternative to electric vehicles for reducing carbon emissions in the transportation sector.
 - But EPA's current models only credit ethanol with being 20 percent lower emitting than gasoline, while recent research suggests that new farming and production techniques have cut biofuel's emissions substantially.
 - "It is critical that the EPA's decade old greenhouse gas modeling for ethanol and biodiesel be updated to fully reflect the newest science and technology," Klobuchar said in a statement.

- ***Democrats Push for A National Green Bank.*** Democratic lawmakers are pushing to include a \$100 billion national green bank as part of an upcoming Covid-19 recovery and infrastructure bill. The money in the bill would be used to spur \$500 billion in private investments and create 4 million jobs over four years, its advocates say.
 - "We're going to have an infrastructure bill. This should be part of the infrastructure bill," said Rep. Debbie Dingell (D-Mich.), who is leading the effort in the House. Four Senate Democrats — Chris Van Hollen (Md.), Ed Markey (Mass.), Richard Blumenthal (Conn.) and Brian Schatz (Hawaii) — are leading the push in their chamber.
 - Biden's [climate change platform](#) called for "innovative financing mechanisms that leverage private sector dollars to maximize investment in the clean energy revolution," though it did not specify establishing a green bank.
 - A National Academies of Sciences report released Tuesday endorsed a green bank initially capitalized at \$30 billion to help hit a 2050 goal of achieving net-zero greenhouse gas emissions.
- ***Democrats Kick Off Budget Reconciliation Process.*** Democrats kicked off the budget reconciliation process [to advance Biden's Covid-19 plan](#), introducing a budget resolution Monday directing committees on how to dole out its \$1.9 trillion price tag.
 - House Speaker Nancy Pelosi and Senate Majority Leader Chuck Schumer asked those panels to include funds "to the Economic Development Administration and environmental justice grants to help low-income, minority communities who have been hardest hit by COVID."
 - Overall, the Energy and Commerce Committee will have \$189 billion to direct spending for across its vast jurisdiction, which includes health matters.
- ***Environment and Climate Change Subcommittee Announces Climate Leadership Hearing.*** Energy and Commerce Committee Chairman Frank Pallone, Jr. (D-NJ) and Environment and Climate Change Subcommittee Chairman Paul D. Tonko (D-NY) announced that the Environment and Climate Change Subcommittee will hold a fully remote hearing on Tuesday, February 9, at 12 p.m. (EST) entitled "Back in Action: Restoring Federal Climate Leadership."
 - "With the Biden Administration in place, the United States has a renewed opportunity to meaningfully and thoughtfully tackle the climate crisis – and we are determined to get it right," Pallone and Tonko said.
- ***Democrats Urge Repeal of Waters Rule.*** House Transportation and Infrastructure Chair Peter DeFazio (D-Ore.) and Water Resources and Environment Subcommittee Chair Grace Napolitano (D-Cali.) [asked](#) the Biden administration to repeal a Trump-era rule that lifted federal jurisdiction over some small streams and ditches.
- ***Senate Committee Rosters Released.*** Senate Majority Leader Chuck Schumer (D-N.Y.) released rosters for the Senate committees for the 117th Congress. [See the list here.](#)
- ***Pelosi Announces More Committee Members.*** Pelosi announced new Democratic members to a number of House committees, including Agriculture and Natural Resources. [Read the list here.](#)
- ***Khanna to Lead Environment Panel.*** Rep. Ro Khanna (D-Calif.) will lead the House Oversight and Reform's Environment panel for the 117th Congress, the panel said in a [statement](#).
 - Former Rep. Harley Rouda (D-Calif.) led the panel in the last Congress, before losing his re-election bid.

BIDEN ADMINISTRATION ACTIONS AND NEWS

- ***Biden Administration Asks Courts to Pause Navigable Waters Protection Rule Litigation.*** The Biden administration has begun asking federal courts to pause litigation over the Trump

administration's contentious Navigable Waters Protection Rule — a move that follows an executive order signed by Biden on Inauguration Day.

- In recent days, the administration has filed requests with U.S. district courts in Maryland and Washington, D.C., asking that challenges to the rule shrinking the number of streams and wetlands that are protected under the Clean Water Act be put on hold for six months so officials have time to "review the rules and determine whether the rules should be maintained, modified, or otherwise reconsidered."
- ***Bipartisan Support for EPA Pick.*** Michael Regan, the North Carolina environmental regulator picked by President Joe Biden to lead EPA, appears on a glide path to bipartisan confirmation. At his confirmation hearing Wednesday, multiple Republican senators lauded Regan for his reputation as a good listener and consensus builder during his time at the helm of North Carolina's Department of Environmental Quality, even as they slammed Biden's early moves.
 - Regan repeatedly promised to listen to lawmakers, meet with "stakeholders" and travel to communities affected by EPA moves. "With this administrator, we're going to have an open-door policy," he said.
 - On specific policy areas of contention — including power plant and vehicle carbon emissions, the Renewable Fuel Standard and water regulation — Regan largely dodged specifics.
 - When asked about the Clean Power Plan, Regan said that since neither the Obama nor the Trump EPA power plant is rule in place, "it presents a significant opportunity for the Environmental Protection Agency to take a clean slate and look at how do we best move forward."
- ***Regan Promises 'Urgency' on Climate Change.*** President Biden's pick to lead the EPA pledged to act with "a sense of urgency" on climate and to increase the agency's focus on science, transparency and combating inequality. "Our priorities for the environment are clear. We will restore the role of science and transparency at EPA. We will support the dedicated and talented career officials. We will move with a sense of urgency on climate change, and we will stand up for environmental justice and equity," Regan said in his opening statement."
 - During the hearing, Regan also said he would take action to clean up contamination from a class of cancer-linked chemicals called PFAS that can be found in drinking water and a variety of household products.
 - To take on inequality faced by marginalized communities on environmental issues, Regan said he would seek to have an environmental justice and equity adviser.
 - Shelley Moore Capito (R-WV) pressed Regan on how he would interact with White House climate adviser Gina McCarthy. Regan said he would report to Biden but would work with White House staff.
- ***Vilsack Talks Climate, Biofuels.*** The Senate Agriculture Committee on Tuesday [advanced the nomination of Tom Vilsack for Agriculture secretary by voice vote](#), setting the former Iowa governor up for a quick Senate approval.
 - During his confirmation hearing earlier in the day, Vilsack said he would promote access to fuels with 15 percent ethanol and advocate for use of higher blends of biofuels.
 - He also said the agriculture sector was well-positioned to help the Biden administration score a "quick win" on climate change.
- ***Interior Restarts Vineyard Wind Process.*** The Interior Department will resume the permitting process for Vineyard Wind's proposed offshore wind project off the coast of Massachusetts — restarting the process after the Trump administration halted it in its waning weeks. The Bureau of Ocean Energy Management announced Wednesday it intends to restart the environmental

review for the project and proceed with development of its final environmental impact statement.

- "Offshore wind has the potential to help our nation combat climate change, improve resilience through reliable power, and spur economic development to create good-paying jobs," said BOEM Director Amanda Lefton, who was named head of the agency on Monday.
- Vineyard Wind had asked BOEM late last month to resume the federal permitting process for the 800-megawatt Vineyard Wind 1 project. The process was halted by the Trump administration after the company requested to temporarily withdraw the construction and operations plans, so it could proceed with a final technical review of GE's Haliade-X wind turbine generators.
- **NASA's New Climate Role.** NASA on Wednesday named Gavin Schmidt its senior climate adviser, a newly created position within the agency.
 - Schmidt, director of NASA's Goddard Institute for Space Science in New York, will serve in an acting capacity until a permanent appointment is made.
 - "This position will provide NASA leadership critical insights and recommendations for the agency's full spectrum of science, technology, and infrastructure programs related to climate," said acting NASA Administrator Steve Jurczyk in a statement.
- **Judge Vacates Science Transparency Rule.** The Biden administration got an early legal win Monday when a federal judge in Montana vacated the so-called secret science rule out of the Trump EPA, remanding it to the agency.
 - Judge Brian Morris of the U.S. District Court for Montana last week ruled that the regulation was not merely a procedural one and warned that meant he saw "significant doubt" that EPA had the authority to write it.
 - On Sunday, EPA asked Morris to vacate the rule, effectively removing it from the books, and send it back to the agency.
- **McCarthy Leading Talks with Auto, Utility Sectors.** White House climate adviser McCarthy and other top officials are in talks with automakers and utilities as the Biden administration determines its next steps for paring greenhouse gas emissions. The Biden administration is set to tighten limits on greenhouse gas emissions from power plants, automobiles and oil wells.
 - Biden has given the EPA and Transportation Department a July 2021 deadline to decide whether to suspend, revise or rescind a Trump administration rule that eased fuel-economy and tailpipe-emission standards for cars, trucks and sport utility vehicles.
- **Vehicle Mile Tax Draws Fresh Attention.** Pete Buttigieg, confirmed by the Senate as transportation secretary, will take office with a funding crisis confronting the nation's highway system. The main source of federal money for highways and transit, the gasoline tax, hasn't been increased since 1993. Without additional revenue, the Highway Trust Fund will soon run out of money.
 - From his confirmation hearing to his run for the Democratic presidential nomination, Buttigieg has repeatedly floated a solution: a vehicle miles traveled tax.

ENERGY ECONOMY NEWS

- **The State of EVs.** California leads the nation in enabling use of EVs, according to a report this morning from the American Council for an Energy-Efficient Economy.
 - [The State Transportation Electrification Scorecard](#) found that California is the only state to set deadlines for electrifying transit buses, heavy trucks and commercial vehicles, and to adopt statewide building codes for wiring most new buildings and houses for EV charging — earning 91 points out of 100 in the scorecard.

- The next state in line, New York, earned 63.5 points, while Washington, D.C, came in third with 59 points, Maryland next with 56 points and Massachusetts with 54.5 points.
- The report tabulated 20 states that earned 15 points or fewer.
- **Dingell: EV Push to Only Accelerate.** Debbie Dingell (D-MI-12) said that General Motors' aspiration to phase out traditional engines in its vehicles by 2035 reflects where the broader automotive sector stands.
 - "Quite frankly, not only is it realistic but it has been coming," she said of the 2035 goal. "All of the autos have been talking about it. There have been lots of conversations with [United Auto Workers], the environmentalist community and the autos."
 - Dingell, a former GM executive who represents a major auto producing district, said she's been "working very hard on this for months."
- **Renewable Generation to Make Up 55 Percent of US Power Mix by 2035.** By 2035, renewable generation will make up 55 percent of the U.S. power mix, according to updated modeling from Morgan Stanley released Monday, while gas will comprise 16 percent and nuclear 17 percent of the mix, and coal will have disappeared altogether.
 - The bank put renewables at 39 percent in 2030, with coal making up 3 percent, nuclear 18 percent and gas making up 28 percent.
 - But for this year, Morgan Stanley analysts forecast average natural gas prices would increase 48 percent, which in turn will drive "coal generation and the sector's carbon footprint to increase in 2021," before coal heads for a "constant decline thereafter."
 - By 2033, coal will be gone from the U.S. supply mix.
- **Hydrogen Companies Join Forces.** Eleven major companies across the hydrogen value chain are joining forces to accelerate development of the lightweight gas in the U.S. in a bid to create jobs and decarbonize the economy.
 - The coalition, dubbed Hydrogen Forward, is made up of founding members Air Liquide, Anglo American, Bloom Energy, CF Industries, Chart Industries, Cummins Inc., Hyundai, Linde, McDermott, Shell and Toyota.
 - The coalition is focused on "showcasing hydrogen's unique value proposition among Washington, D.C. policymakers and other stakeholders to decisively accelerate adoption of hydrogen solutions and related infrastructure build-out across the nation," according to a release this morning.
 - The member companies are all involved in some form of hydrogen-based transportation, storage, or utility-scale power generation, but a "lack of systemic policy support for hydrogen risks to derail these efforts," the groups said, leaving the U.S. lagging behind Europe and East Asia as the only major market without a national hydrogen strategy.
- **Oil Pushes 'Clean Shale' as Biden Mounts Attack.** American oil executives began a pushback against some of Biden's climate policies by making the case that fossil fuels from U.S. shale have a lower carbon footprint than imports. The U.S. oil industry, already under pressure from low prices and investor pessimism, is particularly concerned about limiting access to resources on federal acreage in New Mexico, Wyoming, Alaska and the Gulf of Mexico.
 - "We don't think it's good policy to be overly restrictive on federal land," Chevron's Chief Financial Officer Pierre Breber said in an interview with Bloomberg TV on Friday. "That will just move energy production to other countries. We know that we can develop energy in this country responsibly."
- **Exxon Announces New Low Carbon Solutions Business.** Exxon [announced](#) Monday the creation of its new low carbon solutions business that will invest \$3 billion on lower-emission technology through 2025, and is advancing plans for more than 20 new carbon capture and storage projects across the globe.

- The oil major has been [under increased pressure to step up its sustainability investments](#).

NEW CLIMATE CHANGE STUDIES

- ***To Meet Climate Goals, U.S. Needs Equity Policies, Experts Say.*** Meeting Biden’s climate goals will require setting a national cost for carbon pollution and spending heavily on social programs to assist Americans hurt by the clean-energy transition. Those are the findings in a [new report](#) from the National Academies of Sciences, Engineering, and Medicine, the latest group to lay out a detailed strategy for making the U.S. economy carbon-neutral by 2050.

ENVIRONMENTAL ADVOCACY

- ***Bipartisan Group Launches to Protect Amazon.*** A bipartisan group of former Cabinet officials and climate negotiators is pressing the Biden White House to protect Amazon rainforests, issuing a spate of policy recommendations Congress and special climate envoy John Kerry can take to mobilize \$20 billion.
 - The group's [recommendations](#) call for invoking public and private funding, trade, supply chains and diplomacy.
 - Dubbed [The Climate Principals](#), it includes Bruce Babbitt, former Interior secretary under President Bill Clinton; William Reilly, former EPA administrator under President George H.W. Bush; Todd Stern, former special envoy for climate change during the Obama administration; and Christine Whitman, former EPA chief under George W. Bush; as well as Tim Wirth and Frank E. Loy, undersecretaries of state for global affairs in the Clinton administration, and Stuart Eizenstat, who led the U.S. delegation during the Kyoto talks.
- ***Bumblebee Endangered Species Listing Urged by Green Groups.*** Two environmental groups, The Center for Biological Diversity and the Bombus Pollinators Association of Law Students, petitioned the Biden administration to protect the bumblebee under the Endangered Species Act to prevent the pollinator’s further decline. The groups [are asking](#) the Interior Department’s U.S. Fish and Wildlife Service to declare the bumblebee as endangered because they say it’s vanished from eight states, mostly in the Northeast.
 - The bee, once found in 47 states, is an essential pollinator to native plants and crops, but its numbers have plummeted over the last 20 years due to pesticide and fungicide use, the groups said.
 - The U.S. Fish and Wildlife Service didn’t immediately respond to a request for comment Monday about next steps in the listing process.
 - “It’s unfortunate that we’re forced to call upon the Endangered Species Act to protect a species so fundamental to human and ecosystem health,” Keith Hirokawa, a professor of law at Albany Law School, said in a statement. “It is our hope that the Biden administration grasps the gravity of this moment.”

