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Democrats Coalesce on Energy and Climate Message Ahead of 2020 Election

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In recent weeks, Democrats on the campaign trail and in Congress have moved towards a consensus message on a key campaign issue heading into the 2020 elections – climate change. Culminating with the release of presumptive Democratic presidential nominee Joe Biden's "Plan to Build a Modern, Sustainable Infrastructure and an Equitable Clean Energy Future" (the "Biden Plan") and originating with legislation in the Democratic-controlled U.S. House of Representatives, the Democrats have now released details underpinning their most ambitious plans to date to reduce greenhouse gas emissions (GHGs) in the U.S. economy. These actions shed light on how a potential Biden administration – and a Democratic Congress – might govern on the issues.

The former Vice President's campaign released his clean energy plan ahead of a climate-focused speech on July 14th in Wilmington, Delaware. Under the Biden Plan, the federal government would invest \$2 trillion over Biden's first term in office to promote American innovation and upgrade infrastructure across all sectors that contribute to global climate change, including electric power, transportation, industry, buildings, and agriculture. Highlights of the plan include the following:

Electric Power Sector: Achieve net-zero emissions in the power sector by 2035 by implementing an Energy Efficiency and Clean Electricity Standard (EECES) for utilities and grid operators, the most ambitious target year included in any Democratic plan to date for a net-zero emissions power sector.

Electric Vehicles: Use federal government procurement power to upgrade the 3 million vehicles in the federal fleet to electric vehicles; make public investments in 500,000 electric vehicle charging stations; and, negotiate new fuel economy standards that accelerate the adoption of zero-emissions vehicles.

Buildings: Cut the carbon footprint of the national building stock by 2035; set a net-zero emissions standard for all new commercial buildings by 2030; retrofit 4 million commercial buildings and weatherize 2 million homes in four years; and, create direct cash rebates and low-cost financing to upgrade and electrify home appliances.

Research and Development: Create a new Advanced Research Projects Agency on Climate (ARPA-C) focused on developing innovative technologies to achieve a 100% clean energy target; investing in research to bolster clean energy supply chains; and, leverage federal procurement to create demand for clean energy inputs.

Environmental Justice: Ensure that disadvantaged communities receive 40% of overall benefits from clean energy and energy efficiency spending; create data-driven tools to identify disadvantaged communities most threatened by climate change and pollution; and, update existing federal programs to protect environmental justice communities.

The plan also includes expansive support for a clean energy workforce, a longstanding Democratic priority for an industry that has seen substantial job loss due to the COVID-19 pandemic. Notably, the Biden Plan does not include any explicit near- or long-term ban on the production of fossil fuels or development of fossil fuel infrastructure, including hydraulic fracturing for natural gas – a priority as Biden seeks to win support from voters in natural gas-rich Pennsylvania in November. Biden has, however, supported a ban on fracking on federal lands. That the progressive wing of the party is largely supportive of the Biden Plan is a notable sign of the united front Democrats are attempting to present to the voting public on this issue.

The Biden Plan has its roots in, and can be seen as the natural conclusion of, two years of legislative work by the Democratic majority in the U.S. House of Representatives. Since retaking the chamber after the 2018 midterms, House leadership under Speaker Nancy Pelosi (D-CA) directed each of the Committees



of jurisdiction to develop legislation that would reduce GHG emissions within their jurisdiction in pursuit of a net-zero emission economy by 2050. The House also created the Select Committee on the Climate Crisis which, although it would not have any legislative authority, was tasked with developing a report detailing climate change policy recommendations to Congress across all sectors of the economy.

Throughout the 116th Congress, each Committee in the House has held climate change hearings, and the House has considered or advanced broad measures in service of the 2050 goal of net-zero emissions across the economy:

- In January, the House Energy and Commerce Committee unveiled the <u>CLEAN Future Act</u>. The bill, which is still in draft form and has not been formally introduced, would institute a national Clean Energy Standard affecting the power sector, provisions that would lead to a requirement for zero energy-ready buildings in 2030, require EPA to implement increasingly stringent GHG emissions standards for vehicles, and authorize significant funding towards clean energy and climate objectives. In 2019, Committee leadership also introduced and passed an infrastructure package, entitled the <u>Leading Infrastructure For Tomorrow's (LIFT) America Act</u> (H.R. 2741), which includes substantial authorizations for clean energy infrastructure.
- The House Transportation and Infrastructure Committee also advanced a climate changefocused surface transportation bill, the <u>Investing in a New Vision for the Environment and Surface Transportation in America Act</u>, or the "INVEST in America Act."
- The House Ways and Means Committee introduced the <u>Growing Renewable Energy and</u> <u>Efficiency Now (GREEN) Act</u> (H.R. 7330), which includes a broad array of tax incentives to promote the deployment of clean energy technologies and electric or alternative fuel vehicles.
- The House Science, Space, and Technology Committee has developed a series of bills focused
 on research, development, and demonstration (RD&D) of low- and zero-carbon energy
 technologies. Many of these bills have already been passed out of the Committee and there
 remains a chance that the House considers them as a package on the floor this fall.

Provisions from each of these bills were incorporated into the Moving Forward Act (H.R. 2), the \$1.5 trillion infrastructure bill passed by the House on July 1. House Democrats have argued for clean energy infrastructure spending to stimulate the U.S. economy in the wake of the COVID-19 pandemic, and the Moving Forward Act represents the opening position of the House in the event that the Senate passes its own infrastructure legislation.

Democrats on the House Select Committee on the Climate Crisis also released their long-awaited report, "Solving the Climate Crisis: The Congressional Action Plan for a Clean Energy Economy and a Healthy, Resilient, and Just America," on June 30. The 547-page report details policy recommendations for Congress to address climate change across every sector of the U.S. economy, drawing significantly from the aforementioned legislative efforts along with direct input from environmental and industry stakeholders. Its most sweeping policy recommendations on a national scale include a Clean Energy Standard (CES), a Low Carbon Fuels Standard, and a price on carbon. It also calls for historic investments in clean energy infrastructure as well as research, development and deployment of low- and zero-carbon technologies. Like the pledges made by the Biden campaign and those in existing House legislation, the Select Committee also emphasizes environmental justice and the creation of clean energy jobs throughout its Report.

Outlook

The synergies that exist between the Biden Plan, legislation introduced and considered by the House of Representatives, and the Select Committee's report are indicative of how Democrats intend to set the agenda for dramatic action on climate change in 2021. Elements of the Biden Plan are expected to be incorporated in the Democratic party platform, which is being developed for ratification by the full Democratic convention next month. In particular, the House has laid out a stark contrast on energy and climate issues relative to their colleagues in the Republican-controlled Senate, where the sole broad legislative effort focused primarily on policies that support and promote research and development of



energy technologies aimed at reducing emissions. The prospects for Senate passage of that legislation are currently unclear.

Of course, the fate of any of these legislative efforts is tied to Democratic successes in November, not just for the White House but also in the Senate, where a Democratic majority will be required to bring sweeping climate change legislation to the floor. Should President Trump win reelection or if Republicans maintain the Senate majority, any action on climate change will be tempered from the ambitious plans Democrats have laid out over the past two years. Entities involved in the energy and climate space should still be aware, however, that if Democrats are indeed able to win the White House and Senate and hold on to their majority in the House, there may be significant opportunities to pursue and shape transformative, long-lasting energy and climate policies.

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