



**BICEP Network** | Business for Innovative Climate and Energy Policy



**Ceres**

# POLICY OUTLOOK 2020



# A NOTE FROM ANNE KELLY

VP, GOVERNMENT RELATIONS | BICEP AND POLICY NETWORK



“What we do over the next ten years will determine the future of humanity for the next 10,000 years.”

**David Kind, Former British Government Chief Scientist**

DEAR FRIENDS,

The quote above says it all. We have a brief few years to act and your advocacy is more vital than ever.

**Before providing the policy vision for 2020 let's take stock of all that we accomplished together in 2019:**

The now-legendary LEAD on Carbon Pricing event, where 75 companies met with more than 100 lawmakers—from both sides of the aisle—to make [the case for a well-designed carbon-pricing program](#), is poised to scale with record-breaking numbers this May. [Join us for LEAD on Carbon Pricing in 2020.](#)

**At the state level, Ceres BICEP Network members were vital to tangible wins. Highlights include:**

- [Colorado adopting the Zero Emission Vehicle \(ZEV\) program.](#)
- California lawmakers passing SB 200, which will help ensure that more than 1 million Californians have access to [safe and affordable drinking water.](#)
- [Virginia Gov. Ralph Northam finalizing carbon regulations](#) for the electric power sector and issuing an energy plan focused entirely on transitioning to a clean energy economy.
- [Pennsylvania Gov. Tom Wolf taking executive action to join the Regional Greenhouse Gas Initiative \(RGGI\)](#)—the nation's first multi-state carbon pricing effort to reduce pollution from power plants.
- A coalition of states proposing a transportation emissions trading program called the [Transportation Climate Initiative \(TCI\)](#), which will reduce carbon emissions from the transportation sector and invest funds in electric vehicles, public transit and other infrastructure updates.

And on the global stage, many Ceres BICEP Network members traveled to Madrid for COP25 and to the 10th Annual Sustainable Innovation Forum 2019. At both events, our Network amplified calls for action, with an unprecedented joint labor movement and CEO statement [United for The Paris Agreement](#)—while keeping the [We Are Still In](#) drumbeat and the U.S. Climate Action Center going strong.

These victories only happened because of your perseverance, leadership, and loyalty in these uncertain times. Best of all, we are growing: We were thrilled to welcome new friends from **Lyft, Schneider Electric, Happy Family, Indigo, Impossible Foods, and REI**—all leaders in their sectors—into the Ceres BICEP Network this year. We also just launched a new partnership with B Lab, stewards of the B Corp movement, which shares several members with Ceres BICEP Network.

These victories only happened because of your perseverance, leadership, and loyalty in these uncertain times.

The 2020 Ceres Policy Outlook offers a glimpse into the political landscape and the types of policy measures we will address in the coming year. I hope these resources inspire you to stay on board and on the *right side of history*, making the business case for a clean energy economy in the U.S. Thank you for your consistent leadership.

**We look forward to working with each of you in 2020.**

Warmest regards,

Anne L. Kelly, VP, Government Relations | Ceres

# 2020 FEDERAL POLICY LANDSCAPE

“There’s strong support for a meaningful price on carbon. And we all want a policy framework that creates sufficient certainty that unlocks investment and innovation.”

**Steve Howard, Former Chief Sustainability Officer, IKEA**

## Legislative

The 2018 midterm elections and recent climate science studies and reporting, plus the talk of a Green New Deal, have reshaped dialogue on climate change in Congress. The House of Representatives has held numerous hearings on all aspects of climate change, but aside from some increased funding for clean energy research, climate science, and adaptation, few new policies have actually been adopted.

In addition, most of the Democratic candidates for president have endorsed the Green New Deal and endorsed net-zero emissions targets by 2050, which has generated support and criticism from both sides of the aisle.

We believe that the Green New Deal is shaping up to be a comprehensive plan to make investments in clean energy jobs and infrastructure, with an eye toward transforming the entire economy. The plan’s leaders have stated that they are just beginning policy formulation, but its buzz, along with a continued drumbeat of major climate impacts, has already adjusted the politics of climate change in the U.S and elevated climate action as a top priority for both the newly [constituted House of Representatives](#) and [some members of the Senate](#). Our team will keep the Ceres BICEP Network updated with opportunities to shape and support positive steps associated with this movement.

In addition, the U.S. has now formally begun the process of withdrawing from the Paris Agreement, and international climate negotiations have sputtered in the last year. This changing landscape will undoubtedly affect our work in many ways, and Ceres remains committed to driving bipartisan action. Durable, comprehensive climate policies in the U.S. are achievable only with support from both political parties. We will continue to work closely with climate champions on both sides of the aisle, within and beyond the House and Senate Climate Solutions Caucuses.

### OUR MAIN PRIORITIES FOR THE COMING YEAR:

- 1. Carbon Pricing:** We will continue to make the business case for a price on carbon in the year ahead. In 2018, we saw several carbon pricing bills introduced by House Republicans, the first Republican carbon pricing legislation since 2010. We will work to advance the conversation with lawmakers in both parties and in both chambers, providing business support for meaningful progress.
- 2. Super-Pollutants:** We will continue to recruit bipartisan cosponsors to the American Innovation in Manufacturing (AIM) Act, which would phase down the production and consumption of a class of super-pollutants known as hydrofluorocarbons (HFC). HFCs, which can be over 3,000 times as powerful a greenhouse gas as carbon dioxide, are used in refrigeration systems and aerosols. This bill has broad bipartisan support and support from industry groups such as the U.S. Chamber of Commerce and the National Association of Manufacturers.

3. **Electric Vehicles:** The federal tax credits available to manufacturers of electric vehicles remain critical to growing the burgeoning electric vehicle market. The current program helps defray the cost of an electric vehicle by up to \$7,500 per consumer but limits the number of eligible cars for each manufacturer. As more automakers reach these caps, we expect to see a vigorous effort to extend and expand them. In addition to our work defending important regulations on transportation emissions, we will explore opportunities to bring back incentives for electric vehicle infrastructure and surface transportation funding.
4. **The Appropriations Process:** The federal government is a significant source of funding for climate and clean energy research. We welcome suggestions from our Ceres BICEP Network members for large and small programs to prioritize. The fiscal year 2020 spending bill was passed at the end of 2019 with significant funding increases for climate science, clean energy research and development, international climate funding, new funding for electric buses, funding for adaptation and resilience, and a \$200 million increase in funding for the EPA. The process recommences with the president's budget proposal, which is usually released in February, and we will again submit requests on behalf of the Ceres BICEP Network to relevant appropriations subcommittees.
5. **Bipartisan House & Senate Climate Solutions Caucuses:** In 2019 Ceres BICEP Network was instrumental in the formation of the Senate bipartisan Climate Solutions Caucus—holding a CEO and member meeting with its two co-founders—Sens. Chris Coons (D-DE) and Mike Braun (R-IN). Ceres BICEP Network has also been a longtime supporter of the House Climate Solutions Caucus. We will continue our work to support and grow both caucuses. In 2020 we will hold company briefings for the caucuses, help to grow their membership, and encourage them to use their collective power to influence policy.
6. **Florida:** The state of Florida has faced significant and costly impacts from climate change. With a new initiative, we are leveraging the Ceres BICEP Network and forming new relationships with companies that have a significant presence in Florida, with the goal of making a business case to Members of Congress in Florida around embracing clean energy and climate change. Depending on the member, this effort may include asking them to support legislation, use their status as a congressional member to influence national legislation, or join the Senate or House Climate Solutions Caucuses.

## Executive

The following are some of the key issues that will continue to be priorities with the Trump administration in 2020:

1. **Preventing Regulatory Rollbacks:** We will continue to track and respond to efforts by the administration to reverse environmental regulations. During 2018, we submitted comments on proposals to replace the Clean Power Plan, ease greenhouse gas and fuel economy standards for vehicles, maintain standards for efficiency light bulbs, and weaken EPA's methane rule, among others. Along with tracking, we will continue to build up the public record of business support for these important regulations.
2. **Transportation:** Transportation will be a top priority again this year, as we work to counter threats to fuel economy standards for both passenger vehicles and heavy-duty trucks. We will also defend existing electric vehicle policies. Because the administration has formally attempted to restrict California's authority to set its own vehicle standards under the Clean Air Act, it will be necessary to ensure congressional support for California's authority, as well as the authority of the 13 states that have adopted California's standards. Defending this authority and the existing standards is critical to adequately reduce greenhouse gas emissions from both passenger cars and medium- and heavy-duty trucks, while safeguarding the necessary transition to the electrification of the transportation sector. We will continue to work on targeted outreach in 2020 to ensure that the standards are not weakened by the administration or legislative processes.
3. **International Standing:** While the Trump administration continues to signal its intent to withdraw from the Paris Agreement, Ceres BICEP Network and other organizations will unstintingly make the case for strong U.S. international engagement on climate change. COP 26—the annual Council of Parties meeting in Glasgow, Scotland, in November 2020—represents the most important set of international negotiations since Paris in 2015, since countries are expected to set increased emissions targets. It will again be critical for U.S. business leaders to attend in person and reaffirm the message to the world that major parts of the U.S. economy are still committed to climate action. Ceres will send a delegation, along with our We Are Still In coalition, and we hope to see many of you there as well.

# 2020 STATE POLICY LANDSCAPE

“The impacts of climate change, and a job market that demands renewable energy and other clean technologies, are already here. For the sake of Nevada’s future, and our children’s future, we must take action.”

**Governor Steve Sisolak (NV), November 2019**

**STATES ARE STEPPING UP THEIR AMBITION** in tackling climate change and building a net-zero-carbon economy—and 2020 offers ample opportunity for that trend to continue. It is imperative that states pass new policies to help us meet the urgency of the climate challenge. In 2020, we will continue to scale our reach and impact in states across the country.

Below (organized by region) is a suite of state policy initiatives in which we expect to be active in the Northeast and Mid-Atlantic, Southeast, Midwest, and West. This is a high-level snapshot of the state policy priorities we will be tracking in order to amplify the voices of companies and investors in the climate debate. Lawmaker education on corporate priorities and commitments to sustainability and the resulting need for policy action will be fundamental in all states and on all issues.





Beyond our current priority states, we invite you to contact us about what other states we should consider and what other policy topics would be helpful in your sustainability efforts.

## Northeast & Mid-Atlantic

The Northeast and Mid-Atlantic regions continue to be major drivers of clean energy innovation and deployment. Having successfully implemented the first and only regional cap-and-trade system for power-sector greenhouse gas emissions in the U.S. (the Regional Greenhouse Gas Initiative, or RGGI), the states are now considering how to apply the lessons learned to transportation. The most viable opportunities for leadership in the Northeast are around advancing state-level commitments to reach net-zero carbon emissions, implementing a price on carbon for the transportation sector and accelerating the development of offshore wind facilities.



STATE/INITIATIVE	Legislative session	Priorities
<b>NORTHEAST &amp; MID-ATLANTIC</b>		
<b>Transportation and Climate Initiative (TCI)</b>	February 2020 comment period; spring 2020 states sign MOU	Encourage states throughout the region to sign the Transportation and Climate Initiative memorandum of understanding, adopt the most ambitious proposal (25% emissions reductions by 2032) and direct the revenues to impactful decarbonization investments.

# 2020 STATE POLICY LANDSCAPE

STATE/INITIATIVE	Legislative session	Priorities
<b>NORTHEAST &amp; MID-ATLANTIC</b>		
<b>Massachusetts</b> 	January – November 2020	<p>Update the Global Warming Solutions Act from 80% emissions reductions to net-zero emissions by 2050 (including interim targets and a plan to get there).</p> <p>Support clean energy and energy efficiency programs and incentives (strengthening the Renewable Portfolio Standard, bolstering the Energy Efficiency Resource Standard, accelerating offshore wind development).</p> <p>Support the decarbonization of the transportation sector by encouraging electric vehicle incentives and infrastructure, and build support for adoption of the Transportation and Climate Initiative memorandum of understanding and mode shifting policies.</p>
<b>New Hampshire</b> 	January – June 2020	<p>Advocate for legislation to create a joint committee to develop science-based emissions reduction goals for 2050.</p> <p>Strengthen renewable energy sources by updating net-metering regulations and supporting the development of an offshore wind industry.</p> <p>Support the decarbonization of the transportation sector by encouraging electric vehicle incentives and infrastructure and participation in the Transportation and Climate Initiative.</p>
<b>New Jersey</b> 	January 2020 – January 2021	<p>Implement the Energy Master Plan and adopt policies to meet its ambitious targets for 100% clean energy by 2050, energy efficiency and a clean and efficient transportation system.</p> <p>Support passage of major electric vehicle legislation, which would develop a statewide charging system and provide incentives leading to a major increase in electric vehicle adoption.</p> <p>Build support for Transportation and Climate Initiative participation and mode shifting policies.</p> <p>Advocate for using Regional Greenhouse Gas Initiative (RGGI) funds to have an impact on energy efficiency and renewable energy investments.</p> <p>Encourage the development of offshore wind industry, including successful implementation of Gov. Phil Murphy’s executive order on offshore wind procurement.</p>
<b>Pennsylvania</b> 	January – December 2020	<p>Educate lawmakers on the business case for clean energy, including renewables and energy efficiency.</p> <p>Encourage Pennsylvania to join RGGI or implement a comparable carbon cap-and-trade program, while prioritizing program funding on clean energy solutions.</p> <p>Expand electric vehicle infrastructure and incentives and build support within the Wolf administration for the Transportation and Climate Initiative.</p> <p>Advance clean energy deployment by enabling community solar and protect existing clean energy policies.</p>

# Southeast

The Southeast is beginning to make important strides in transitioning to a net-zero-carbon economy, but much work remains. The region is ripe for advancing renewable energy, with both demand for and access to renewable resources. However, many southeastern states lack the policies and incentives necessary to promote significant growth of the region's clean energy economy. Lawmakers in Virginia and North Carolina are considering important policy changes in 2020, such as the potential to commit to 100% carbon-free electricity and implementation of a Clean Energy Plan, respectively. Renewable energy procurement for customers large and small remains a major barrier in southeastern states though, and many have only just begun to tap into their potential for energy efficiency, electric vehicles, energy storage and other clean energy technologies.

STATE/INITIATIVE	Legislative session	Priorities
<b>SOUTHEAST</b>		
<b>Virginia</b> 	January 9— February 23, 2020	Lift barriers to corporate renewable energy procurement. Join the Regional Greenhouse Gas Initiative (RGGI) and prioritize program funding on clean energy. Pass strong energy efficiency standards (EERS) and a 100% clean energy standard (CES) Advocate for full participation in the Transportation and Climate Initiative and adoption of the Advanced Clean Cars program.
<b>North Carolina</b> 	April 28 – June 30, 2020	Support implementation of the North Carolina Clean Energy Plan and its goal to reduce electric-sector carbon emissions 70% below 2005 levels by 2030. Lift barriers to corporate renewable energy procurement and encourage competition. Unlock potential to expand deployment of energy storage, electric vehicles and distributed resources. Support executive action on climate change.





“Business impacts and dependencies on biodiversity translate into risks to business and financial organizations, including ecological risks to operations; liability risks; and regulatory, reputational, market and financial risks. Acknowledging and measuring these dependencies and impacts on biodiversity can help businesses and financial organizations manage and prevent biodiversity-related risks, while harnessing new business opportunities.”

**OECD (2019), Biodiversity: Finance and the Economic and Business Case for Action**

# 2020 STATE POLICY LANDSCAPE

## Midwest

The Midwest has a highly energy-intensive economy driven largely by coal, natural gas and nuclear energy and continues to produce more greenhouse gas emissions per capita than the national average. However, renewables are becoming a greater part of the energy mix, and companies and investors are increasingly demanding access to renewables and ambitious energy efficiency programs. While we experienced some rollbacks in Ohio, 2019 also brought some leadership from Midwest governors in laying out ambitious climate commitments—in particular in Minnesota, Wisconsin and Michigan. As we look to 2020, we hope to see these ideas become policy and will work to step up ambition across the region.

STATE/INITIATIVE	Legislative session	Priorities
<b>MIDWEST</b>		
<b>Illinois</b> 	January 28– May 31, 2020	<p>Expand clean energy deployment through support for the Clean Energy Jobs Act:</p> <ul style="list-style-type: none"> <li>· Supports 100% renewable energy standard by 2030 100% renewable energy in Illinois by 2050.</li> <li>· Strengthens energy efficiency and solar programs for low-income communities.</li> <li>· Expands electric vehicle infrastructure and accessibility.</li> <li>· Ensures a just transition for fossil fuel workers and clean energy workforce development.</li> </ul> <p>Support electric vehicle deployment and policy incentives.</p>
<b>Michigan</b> 	January 6– December 31, 2020	<p>Promote electric vehicle infrastructure and incentives.</p> <p>Support executive action on climate change.</p> <p>Expand clean energy deployment by lifting barriers to distributed generation and storage and establish a community solar program.</p> <p>Strengthen the renewable energy and energy optimization standards.</p> <p>Lift barriers to corporate renewable energy procurement and energy choice.</p>
<b>Minnesota</b> 	February 11– May 18, 2020	<p>Expand clean energy deployment through support for Gov. Tim Walz’s One Minnesota proposal:</p> <ul style="list-style-type: none"> <li>· Clean Energy First: Prioritizes clean energy above fossil fuel resources.</li> <li>· Energy Conservation and Decarbonization (ECO): Expands energy efficiency programs.</li> <li>· Carbon-free by 2050: Sets a carbon-free standard.</li> </ul> <p>Adopt Clean Cars Minnesota and expand electric vehicle infrastructure and incentives.</p> <p>Advance energy efficiency by improving and expanding the Conservation Improvement Program.</p> <p>Lift barriers to corporate renewable energy procurement.</p> <p>Strengthen the community solar program.</p>
<b>Ohio</b> 	January 6– December 31, 2020	<p>Defend state renewable energy and energy efficiency programs and develop new paths to increasing investment.</p> <p>Decrease renewable energy siting barriers.</p> <p>Decrease barriers to electric vehicle deployment.</p>



## West

Western states are seizing the opportunity to become clean energy and climate leaders. With newly elected governors and pro-clean energy legislatures in Colorado and Nevada, both states advanced a suite of strong, forward-thinking bills and executive actions in 2019—setting climate targets and increasing the amount of renewable energy on the grid. Looking to 2020, Nevada and Colorado will be pursuing and implementing new policies that will drive significant emission reductions to ensure that the states meet their ambitious climate goals. Arizona is also ripe for increasing the deployment of renewable energy, which will help grow the local economy and attract companies seeking to meet their own sustainability goals.

California continues to be America's standard-bearer—and a global leader—on climate change mitigation. Gov. Gavin Newsom's first climate action executive order leveraged the state's \$700 billion in investments in making clean transportation a priority. In a deal of national significance, key auto manufacturers supported California's right to retain ambitious clean car standards and California will no longer be purchasing vehicles from those manufacturers that oppose California's stronger rules. In 2020, clean transportation will be a major focus of both the legislative session and administrative rulemakings.

### CONNECT THE DROPS

California faces a wide range of water challenges, including water scarcity and excess, critically depleted groundwater, a lack of access to safe drinking water and antiquated infrastructure. Founded in 2015, and now 34 companies strong, Ceres' Connect the Drops initiative engages with policymakers and other stakeholders on the critical water issues challenging California. In 2019, Connect the Drops members helped pass the landmark Safe and Affordable Drinking Water Fund (SB 200). This two-year advocacy effort secured ongoing funding for safe drinking water for a million Californians in 300 communities that have been regularly exposed to contaminated water. In 2020, Connect the Drops will focus on advocating for legislation and funding to ensure a water resilient future for the state. Emphasis will be on the implementation of both the Safe and Affordable Drinking Water Fund and the Sustainable Groundwater Management Act, as well as supporting additional legislation on water conservation, efficiency and smart water management.

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“As water supplies become scarce in certain regions as a result of a changing climate and increased demand from a growing population, the role companies play to help ensure sustainable water supplies is growing.”

### CONNECT THE DROPS SIGNATORIES—

**Soren Bjorn, Driscoll's; Cheri Chastain, Formerly Sierra Nevada;  
Bruce Karas, Coca-Cola; and Jerry Lynch, General Mills**

“Another Voice: All Californians should have safe drinking water,”  
Sacramento Business Journal, May 24, 2018

# 2020 STATE POLICY LANDSCAPE

STATE/INITIATIVE	Legislative session	Priorities
<b>WEST</b>		
<b>Arizona</b> 	January 13– April 25, 2020	Support corporate renewable energy procurement. Expand electric vehicle infrastructure and incentives. Educate state regulators on the business case for clean energy. Extend the renewable production tax credit.
<b>Colorado</b> 	January 8– May 6, 2020	Implement carbon regulations to achieve 90% emissions reduction by 2050 as outlined in HB 1261. Support policies that advance energy efficiency and decarbonization in commercial buildings. Expand and enhance corporate renewable energy procurement (i.e. green tariffs, direct access). Promote electric vehicle adoption and infrastructure investment.
<b>Nevada</b> 	No regular session in even-numbered years	Support the development of policies to achieve statewide goal of zero emissions by 2050. Encourage electric vehicle infrastructure investment, defend against excessive electric vehicle fees and support equitable road funding mechanisms. Lift barriers to corporate renewable energy procurement. Adopt the Advanced Clean Cars program.
<b>California</b> <i>Climate</i> 	January 6– August 31, 2020	Promote strong implementation of 100% clean energy standard (SB 100) and building decarbonization (SB 1477 + AB 3232). Support clean transportation legislation and budget allocation for electric vehicles/trucks incentives and R&D. Encourage ambitious update to the Advanced Clean Cars Program. Support offshore wind development and long-term duration storage. Explore opportunities to support western market and grid regionalization.
<i>Water</i>		Support equitable and effective implementation of the Safe and Affordable Drinking Water Fund. Support the implementation of the Sustainable Groundwater Management Act, including strategic land conversion plans. Support water conservation and efficiency legislation, which increases water resilience for urban and rural communities, agriculture and freshwater ecosystems.

# BUSINESS ADVOCACY & ENGAGEMENT OPPORTUNITIES

“You can spend your time worrying it will be too expensive and can’t be done—or you can join the thousands of business leaders who are already tackling it—because they can see this is a once in a lifetime opportunity to change the world—and make a lot of money in the process.”

**Rebecca M. Henderson, The John and Natty McArthur University Professor at Harvard University**

**Businesses are poised to play a key role in advancing the deployment of clean energy across federal and state levels.** The current Congress continues to offer hope to halt the federal retreat on clean energy and policies to cut emissions, and there are ample opportunities to make great advances at the state level. While this provides states a chance to demonstrate leadership, we must defend against attempts to weaken existing clean energy and emissions reduction policies at both the state and federal levels.

On both offense and defense, company and investor voices have outsized influence in the debate, creating an opportunity to shape the narrative by advocating for clean energy policies that help grow economies, attract investments, and foster job creation and innovation. Through effective storytelling, participating in lawmaker education days, joining advocacy sign-on letters, penning op-eds and building strong relationships with lawmakers and regulators, businesses can help advance policies that promote better corporate access to renewable energy, strengthen state renewable portfolio standards and energy efficiency resource standards, transform the clean transportation sector, and overall encourage the growth of a clean energy economy.

Throughout the year, we provide opportunities for our members and our partners to weigh in collectively under the Ceres BICEP Network banner, or individually through in-person federal and state level lawmaker education days, sign-on letters directed at policy makers, and robust media strategies such as writing op-eds, blogs and participating in press conferences. We also offer numerous opportunities for “behind the scenes,” confidential action to support our members’ interests. Additionally, we offer platforms to showcase corporate leadership at national and international events such as the Ceres Annual Conference and the United Nations Framework Convention on Climate Change Conference of the Parties.

We look forward to your continued engagement and participation as we look to strengthen policies that help advance a clean energy and carbon-free economy.

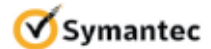
[LEAD on Carbon Pricing](#)

Join businesses May 12 & 13, 2020 to call for a price on carbon.

# Ceres BICEP Network Members



Life Is On



CORPORATION



Learn more about the Ceres BICEP Network at [www.ceres.org/bicep](http://www.ceres.org/bicep)



# Ceres

Sustainability is the bottom line.

[www.ceres.org](http://www.ceres.org)