



ABC's Weekly Federal Legislative Update February 22, 2021

Introduction

Democrats are moving quickly on President Biden's \$1.9 trillion stimulus bill. The House plans on voting on the package this Friday setting up a vote in the Senate next week. Leaders are already looking to the next big package to following focusing on infrastructure and recovery. The later bill could contain tax provisions important to renewable energy and biofuels. The following is news from Washington, D.C.

Administration

[U.S. Reenters Paris Climate Accord](#)

Last week, the U.S. formally rejoined the Paris Climate Accord which focuses on climate change mitigation, adaption and finance. The U.S. was an original party to the agreement but withdrew under the Trump Administration. President Biden pledged to rejoin the pact during his campaign.

Jean Chemnick of [Climatewire](#) wrote on February 19, "The United States' short sojourn outside the Paris climate agreement is over.

"The U.S. formally reenters the international pact today, a move that thrusts the Biden administration into a race to craft new emissions pledges that could help shape global ambitions on climate change.

"White House officials are under pressure to identify a 2030 carbon goal within two months, when President Biden will host an international climate summit.

"Altogether the U.S. spent 107 days outside the Paris Agreement, after former President Trump completed the three-year withdrawal process one day after the November election.

"But while the U.S. is party once again to the first global climate deal, its membership lacks a necessary ingredient — a so-called nationally determined contribution representing the U.S. commitment to the agreement's goals of limiting warming to levels scientists say will avoid the worst climate outcomes.

“Biden has set a deadline of April 22 to complete the pledge for 2030 emissions cuts ahead of his Earth Day summit. The event is meant to reintroduce the U.S. as a world leader on climate change and raise global ambition ahead of climate talks in Glasgow, Scotland, in November.

“Experts on U.S. climate diplomacy say the administration has been laying the groundwork for its new emissions pledge since the fall. It's expected to draw on research from nonfederal analysts and think tanks that continued work on the issue during the Trump years, when U.S. climate progress carried on in cities, states and boardrooms while it languished in Washington.

“Two of the most visible groups that formed in those years — We Are Still In, a coalition of states, cities and businesses, and America's Pledge on Climate Change, which tracked their progress — merged today under a new name: America Is All In.

“Members of the newly minted group argued on a call yesterday with reporters that nonfederal progress during the Trump years can serve as a template for federal regulatory and legislative policies under Biden. Public policies combined with private investment could halve emissions compared with 2005 levels by 2030, enabling the Biden administration to offer an ambitious goal that mirrors those reductions.

“That's a broader set of actions than the Obama administration cited in its 2015 pledge to cut greenhouse gases between 26% and 28% by 2025.

"In our federal system, fundamental societal change has often been built from the ground up, using policy authorities granted to states, cities and others as well as other nongovernmental initiatives and investment choices — changes that can be accelerated by new actions from Congress and the executive branch," said Nathan Hultman, an Obama White House official who helped write the 2025 Paris pledge.

“Biden's national climate adviser Gina McCarthy said in January that she was "the dude" who would be primarily responsible for overseeing the governmentwide effort to draft a 2030 emissions pledge by Earth Day.

“Biden named her head of a new National Climate Task Force, which convened virtually for the first time last week with 22 federal agencies and White House offices.

“The agenda included "early actions, near-term priorities and key milestones," but the White House declined to say if the April 22 summit or the Paris commitment were discussed.

“The State Department is not part of the task force. But McCarthy's small White House office is coordinating with the State Department staff under John Kerry, the president's climate envoy.

“Kerry will ultimately be tasked with selling the 2030 emissions pledge to the rest of the world. Kerry has said the U.S. will return to the Paris Agreement with "ambition and humility" to help increase global aspirations before the Glasgow talks in November.

“But that will be impossible, experts say, if the U.S. pledge is too low or not credible.

"I think it would be extremely difficult for the U.S. to show leadership if it can't come up with something that is commensurate with the deep cuts in emissions that we need this decade to get on the road for net zero by 2050," Rachel Kyte, a former U.N. special envoy for sustainable energy and the dean of the Fletcher School at Tufts University, said on a separate briefing yesterday with reporters.

“The Biden administration faces pressure to put forward an emissions pledge that lands somewhere near slashing carbon in half by 2030. That would generally track with the European Union's commitment to cut emissions 55% by 2030 below its 1990 levels.

“But a coalition of 195 global climate advocacy groups including the Center for Biological Diversity released an assessment this week arguing that it should commit to a 70% reduction by 2030.

“Kerry, meanwhile, has spent much of the last month attending a circuit of multilateral conferences and meetings to assure foreign ministers that the Biden administration is committed to deep carbon reductions.

“Kerry will appear today with U.N. Secretary-General António Guterres at an event celebrating the U.S. return to the Paris Agreement, and he'll participate in a debate at German Chancellor Angela Merkel's final Munich Security Conference.

“In the past few days, Kerry has met virtually with environment ministers from Japan and Brazil.

“Assuring global partners that the U.S. will prioritize climate change — including mitigation and finance for poor countries — is key not only to the success of the Glasgow talks, but of Biden's leader-level summit this spring, said Rachel Cleetus, international climate director for the Union of Concerned Scientists.

"John Kerry is certainly doing his upmost ahead of that to be reaching out to other leaders — China, the E.U., the U.K. — to make sure that when we come to the summit, we will come with more ambition," said Cleetus. "You can unlock ambition only by offering ambition. And special envoy Kerry knows that."

[EPA: Electric Pathway](#)

The following story discusses some of the latest efforts to advance the backlogged applications to participate in valid RFS pathways.

On February 19, Marc Heller of [Greenwire](#) reported, “A backlog of applications for advanced renewable fuels at EPA is spurring a new debate in the biofuel industry: Should the agency catch up on proposals related to electric vehicles first?”

That's a possibility, a biofuel industry source told E&E News, as the Biden administration faces pressure to clear a logjam of applications for advanced biofuels under the renewable fuel standard.

At issue are "pathways" that qualify various feedstocks such as crop residues for use in biofuel used for transportation — either directly in vehicles or in the production of electricity for EVs. In order for those fuels to qualify under the RFS, the agency has to first approve the pathway, then specific applications from companies seeking to use them.

"We're all stuck in a logjam together," said a biofuel industry source who added that he worries EPA will make only the applications related to EVs a top priority — and leave other biofuel applications sitting. Some have been pending for several years.

"The EV people think they've got the system grooved," said the source, who requested that his name be withheld because he works with EPA on behalf of affected companies.

“Reducing the backlog has been a top priority for advanced biofuel advocates and their allies in Congress for a few years, and the Biden administration's pick for EPA administrator, Michael Regan, faced questions about it at his confirmation hearing earlier this month. He told senators on the Environment and Public Works Committee he'll address the problem if confirmed.

“The pathway related to electric vehicles is especially sensitive and complex, industry groups said. Approved in 2014, the pathway applies mainly to biogas generated with agricultural feedstocks. The biogas can power a generating plant that produces electricity used in EVs.

“But projects proposed under the pathway haven't advanced. The key question is where EPA assigns the renewable fuel credit — essentially a form of currency under the RFS — connected with the proposal. The credit, called a Renewable Identification Number (RIN), could in theory go to the processor of the feedstock, the utility company that runs the generating plant, or the company that makes the electric vehicle, industry sources said.

"We've never understood why EPA has not been willing to move forward with it," said Stephanie Searle, fuels director for the International Council on Clean Transportation, a nonprofit research group that supports low-carbon fuel initiatives.

“While the Trump administration, with its favorable view of fossil fuels, wasn't especially supportive of EVs, the delay goes back to the Obama administration, as well, Searle said.

Advocates say they hope the Biden administration's friendlier stance toward alternatives to petroleum will give the pathways higher priority.

"The assigning of RINs remains the big unresolved question, Searle said. "Generally, we want it closest to the point of sale of the vehicle," she said.

"The closer to the point of sale, Searle said, the greater the chance that the renewable fuel credit will boost the production of EVs.

"EPA has blamed a combination of short resources and the complicated nature of the pathway-related applications for the logjam. About 20 applications for pathway approvals are pending, in addition to projects proposed under already-approved pathways.

"Politics shape the debate, as well. Petroleum industry groups critical of ethanol and the RFS say biofuel groups critical of oil overlook a common enemy: engines that don't need any type of liquid fuel. But if the RFS can become a booster for EVs, that could give the biofuel mandate new life and broader political strength.

"Potential feedstocks in the pending RFS pathways at EPA include grain sorghum, pulp wood, biogas from agricultural digesters, cornstarch, sugar cane and crop residue for electricity, according to the agency.

"Among groups urging EPA to act quickly on all the pathways is the Advanced Biofuels Business Council, representing Poet LLC, Alto Ingredients and other companies in the United States and abroad. The group's executive director, Brooke Coleman, told E&E News the pending applications are one way the Biden administration can address greenhouse gas emissions. Reductions could exceed 70%, Coleman said.

"The Trump EPA may have inadvertently gift-wrapped a major climate victory and left it on Michael Regan's desk," Coleman said. "The Biden EPA has an opportunity to unleash four years of pent-up innovation in ultra-low-carbon biofuels and rightly claim credit in rural America for every new gallon."

Congress

Other

[Agriculture Emissions Rose but Farm Group Sees Progress](#)

Greenwire reporter Marc Heller published on February 19, "U.S. agriculture's greenhouse gas emissions climbed in 2018, continuing a long-term trend — but the largest U.S. farm lobbying group found some rays of optimism.

“The latest annual report from EPA on greenhouse gas emissions showed agriculture's total contribution at 618.5 million metric tons of carbon dioxide equivalent, mainly tied to fertilization and other soil management practices.

“That was up from 602.3 million metric tons a year earlier and 554.4 million tons in 1990, making agriculture responsible for about 9.3% of U.S. emissions.

“But land use trends in the report suggest farmers are moving in a positive direction, the American Farm Bureau Federation said. U.S. cropland production increased by 50% since 1990, and the net amount of carbon emissions and carbon sinks tied to land use has stayed about even, the group said.

"This builds on existing evidence that farmers and ranchers are raising more food, fibers and producing more renewable fuels using fewer resources and utilizing smarter practices," the group said in a news release.

“The farm bureau said the report highlights a need for continued research into farming's current contributions and future potential to reduce greenhouse gas emissions that contribute to climate change. The group doesn't support mandatory conservation or monitoring of farms but backs continued voluntary programs to encourage reduced tillage and other practices, as well as carbon markets to spur climate-friendly practices on farms.

“The EPA report shows that soil management accounts for more than half of U.S. agriculture's greenhouse gas emissions. Enteric fermentation from livestock is the second-biggest source, at 177.6 million metric tons in 2018, the agency said.

“In addition, EPA said, nitrogen from fertilizer application makes agriculture the nation's top source of nitrogen-related emissions, accounting for more than 70% nationally.

“After years of downplaying climate change, the farm bureau has tweaked its position in the last year and become more vocal in acknowledging agriculture's role and potential to help. The organization's president, Zippy Duvall, said in a statement, "Farmers and ranchers have made great strides in climate-smart practices, yet we're always looking for ways to do better."

“The farming group also pointed to forestry — often considered a part of agriculture — as a key part of sequestering carbon. The EPA report said forestry was a net carbon sink of 105 tons per 100 acres.

“Yet forestland and cropland, with their potential to trap carbon, have declined by 34 million acres since 1990, while housing and commercial development have grown by 28 million acres during the period, the report shows.

“The farm bureau said that reforestation would help trap more carbon but that the amount needed could sacrifice working pastures.

“The American Forest Foundation, a nonprofit group representing private forest owners, told E&E News that reforestation doesn't have to disrupt farms to achieve carbon reductions. A "vast amount of land" is available for the purpose, said Elizabeth Greener, the organization's communications director.

“Greener said better management of existing forests plays a big role too. And about a quarter of family forest owners have told the organization their land is associated with a farm or ranch, she said.

“Greener said the AFF supports carbon markets to encourage better management of existing forests. "This would ultimately bring billions more to rural communities as well as help achieve critical climate goals," she said.”

[Study Finds Recycling Beats Disposal as a Job Generator](#)

Jacob Wallace of [E&E Daily](#) wrote on February 16, “Waste systems that prioritize recycling and reuse create more jobs than those focused on landfilling and incineration, according to a new report by the Global Alliance for Incinerator Alternatives (GAIA), a group of zero waste advocates.

“The study measured the number of jobs supported by each sector of the waste economy against the amount of waste each sector produced.

“Researchers found that there are 404 jobs per every 10,000 metric tons of waste processed per year in the repair economy, where difficult-to-recycle items like clothing and furniture are fixed and resold.

“Recycling programs created just over 100 jobs per 10,000 metric tons of waste on average, depending on the level of mechanization. Remanufacturing of recycled materials and composting created 51 jobs and 6.6 jobs per 10,000 metric tons of waste, respectively.

“That compares to just two jobs created by landfilling and incineration under the same metric, according to the study's authors.

“Neil Tangri, science and policy director at GAIA, said he found the number of jobs created by zero-waste efforts surprising and was impressed by the relatively high wages available for jobs within the recycling sector.

"The steps that need to be taken to create jobs are the same that we need to take for good environmental outcomes," Tangri said.

“Properly sorting, recycling and re-manufacturing waste is a labor-intensive process.

“The study found that in parts of the world where the recycling process was not highly mechanized and waste pickers largely did the sorting, there was a higher job creation

opportunity for bringing informal waste picking collectives into the formal economy. That process, which can be done through municipal governments directly hiring pickers or businesses doing the same, resulted in wages that were two and a half times the local minimum wage on average.

“The researchers hoped to push back on the idea that recycling jobs by nature have low pay and poor conditions.

“Matteo Colombi, a campaign coordinator with the Teamsters union, said that when jobs are created and protected by the public sector in recycling, they can create a strong, lasting solution for the waste stream.

"One way to think about this is system-level problems need a system-level approach," Colombi said. "We're starting with a system that has real biases right now in the policy framework and in terms of subsidies, and we need to shift that."

[Ford Pledges to go All Electric in Europe by 2030](#)

Published on February 18, “Ford is vowing to convert its entire passenger vehicle lineup in Europe to electric power by 2030 in just the latest sign of the seismic technological changes sweeping the auto industry.

“Ford Motor Co. will spend \$1 billion to revamp its factory in Cologne, Germany, and make it a base for production of battery-powered cars using Volkswagen AG's mechanical framework, said Stuart Rowley, president of Ford of Europe, during an online news conference yesterday.

“The new electric car is to reach the market in mid-2023, and could be followed by a second one there in the future.

“The announcement comes just a month after U.S. rival General Motors Co. said its entire global fleet would largely be electric by 2035. Breaking with more than a century of producing internal combustion engines, GM revamped its corporate logo in the likeness of an electric plug.

“The speed of the transformation at GM and Ford underlines a revolution in the auto sector, pushed by regulators seeking to limit emissions. Automakers are simultaneously moving toward digital technology such as smartphone apps and advanced driver assistance systems, with the ultimate goal of fully autonomous vehicles.

“The agreement with Volkswagen announced yesterday lets Ford take advantage of VW's massive investment in electric cars. The Volkswagen framework uses standard mechanical underpinnings such as the battery, suspension, wheels and axles that can be adjusted to manufacture different vehicle models. Volkswagen is already using the framework in its ID.3 compact and ID.4 sport-utility vehicle.

“Ford expects two-thirds of its European commercial vehicle sales will be electric or plug-in hybrids by 2030.

"We are going all in on electric vehicles," Rowley said.

“Carmakers in Europe must sell more electrics to meet new, lower limits on emissions of carbon dioxide, the main greenhouse gas blamed for global warming. The new limit, which took effect at the start of the year, is part of the European Union's efforts to comply with the 2015 Paris Agreement on global warming. If manufacturers don't hold fleet average emissions below the limit, they face heavy fines. Rowley said Ford was in a position to avoid the fines going forward.

“The company said commercial vehicles are the key to growth and profitability in Europe, with new products and services through its alliance with Volkswagen and Ford's Otosan joint venture in Turkey.

“The investment, to be made through 2025, is among the most significant Ford has made in more than a generation and "underlines our commitment to Europe and a modern future," Rowley said.

“Ford said the investment in the Cologne plant, which employs just over 4,000 workers, comes after its European operations returned to a profit in the fourth quarter of 2020.

“The investment is part of Ford's goal of spending at least \$15 billion on electric vehicles from now through 2025. — *Tom Krisher and David McHugh, Associated Press*