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## **ENERGY AND ENVIRONMENT UPDATE**

**June 24, 2012**

### **Energy and Climate Debate**

International negotiations and congressional debates over transportation reauthorization, energy legislation, and Environmental Protection Agency regulations dominated the energy arena last week. This week, the House is planning to move the Agriculture and Transportation spending bills to the floor, which if passed will be the sixth and seventh appropriations bills cleared this year. Meanwhile, the Senate will address flood insurance legislation.

With the June 30 deadline looming, transportation reauthorization conferees worked through the weekend in an attempt to finish the legislation by Monday or Tuesday of this week. At a joint press conference last week, Senator Barbara Boxer (D-CA) and Representative John Mica (R-FL) announced that the conference committee had moved toward a bipartisan, bicameral agreement with a goal of finishing by early this week. The House voted, 260-138, June 21 in favor of a motion from Representative David McKinley (R-WV) to instruct transportation conferees to include a coal ash provision in the final bill (H.R. 4348). The amendment would prevent the Environmental Protection Agency from regulating coal ash from coal-fired power plants as a hazardous waste and would delegate primary regulatory authority over the material to the states. Though House and Senate leadership have expressed optimism that the conference will produce an agreement, provisions on coal ash, the Keystone XL pipeline, and environmental streamlining provisions remain obstacles to the deal.

On the international front, world leaders at the June 20-22 Rio+20 Conference, officially known as the U.N. Conference on Sustainable Development in Rio de Janeiro, endorsed an agreement on the final day of the conference that urges gradual reduction in the world's use of potent greenhouse gases. Negotiators finalized the document June 19, and delegates were not expected to amend it during their three-day deliberations. Six hundred and ninety two organizations pledged an estimated \$513 billion to finance sustainability over the next ten years. For more details about the summit, see the international section.

### **Congress**

#### **MATS Overturn Rejected**

The Senate voted June 20 to reject Senator James Inhofe's (R-OK) proposal to nullify the Environmental Protection Agency's mercury and air toxics standard. The 46-53 vote on a motion to proceed ended further action on S.J. Res. 37, which would have barred the agency from regulating mercury and other air

toxics from power plants. Republican Senators Lamar Alexander (TN), Kelly Ayotte (NH), Scott Brown (MA), Susan Collins (ME), and Olympia Snowe (ME) voted with Democrats to defend the December rule, while Democrat Senators Mary Landrieu (LA), Joe Manchin (WV), Ben Nelson (NE), Mark Warner (VA), and Jim Webb (VA) vote for the resolution. To overturn the rule, the resolution needed approval in the House and Senate as well as the president's signature; the White House issued a veto threat June 18. Senators Lamar Alexander (R-TN) and Mark Pryor (D-AR) are circulating a letter asking President Obama to issue an executive order allowing utilities an additional two years to comply with the rule. They are also hoping to soon introduce legislation that would allow the extra time through congressional action.

#### Senate Farm Bill Passed

The Senate passed, 64-35, a five year bipartisan reauthorization of the farm bill (S. 3240) on June 21. The \$969 billion measure sets conservation programs, funds the food stamp program, provides a safety net for farms, and cuts \$23.6 billion from the federal deficit. The legislation ends the practice of direct payments to farmers and reduces funding to the Supplemental Nutrition Assistance Program by roughly \$4 billion. The bill provides \$800 million for rural energy programs, including loan guarantees for on-farm renewable energy, energy efficiency projects, and research and development for advanced biofuels, though it does not create any new energy programs, only reauthorizing existing ones such as the Rural Energy for America Program that provides guarantees for renewable energy and energy efficiency projects. Senate leaders reached an agreement on 73 amendments earlier in the week, rejecting attempts by Senators Saxby Chambliss (R-GA), John McCain (R-AZ), and Jim DeMint (R-SC) to repeal the Renewable Fuels Standard and prevent federal funds from being used to build ethanol blender pumps or ethanol storage facilities as well as amendments from Senators Pat Toomey (R-PA), Lamar Alexander (R-TN) and DeMint that would have eliminated biorefinery, renewable chemical, and bio-based product manufacturing assistance, prohibited entities that received a loan or loan guarantee for a wind energy project from receiving any additional federal subsidies for the project, and prohibited the Agriculture Department from providing loan guarantees, respectively. The House will mark up its version of the bill after the July 4 recess. The 2008 Farm Bill expires September 30.

#### House Energy Bill Approved

On June 21, the House approved, 248-163, the Domestic Energy and Jobs Act (H.R. 4480), a seven-part energy bill that would delay Environmental Protection Agency regulations until an interagency committee examines their effect on gas prices and the economy and would streamline and oil and gas permitting on federal lands. Representatives Henry Waxman (D-CA) and Ed Markey (D-MA) released a report June 18 calling the Republican-controlled House the "most anti-environmental House in the history of Congress," showing that the chamber has voted 247 times in the past 18 months to undermine protection of the environment. The Senate is not expected to take up similar legislation, and the White House has said that it would veto such a measure if it reached the president's desk.

#### House Subcommittee Cuts EPA Budget

The House Appropriations Subcommittee on Interior, Environment, and Related Agencies approved a fiscal year 2013 spending bill June 20 that would reduce the Environmental Protection Agency's budget by 17 percent, as well as restrict the agency's ability to implement environmental regulations and cut funding for some Interior Department agencies. The \$28 billion funding measure would reduce the Environmental Protection Agency's funding level to \$7 billion in fiscal year 2013, with the state revolving funds for clean water and drinking water and state and tribal grant programs taking the biggest hits. The measure contains a number of policy riders, including restricting the Environmental Protection Agency from proceeding with source-specific greenhouse gas emissions standards for fossil fuel fired power plants and an effort to redefine "navigable waters" under the Clean Air Act. The bill now moves onto the full House Appropriations Committee for consideration.

#### Electric Grid Conflicts Legislation

The House Energy and Commerce Committee passed compromise legislation June 20 that would waive environmental violations if a power plant is ordered to operate during an emergency. Representative Pete Olson's (R-TX) Resolving Environmental and Grid Reliability Conflicts Act (H.R. 4273) may receive consideration in the full House before the August recess.

### Waste E-Manifest System

Testifying before the House Energy and Commerce Subcommittee on Environment and the Economy June 21, Suzanne Rudzinski, director of the Environmental Protection Agency's Office of Resource Conservation and Recovery, called on Congress to pass legislation that would allow the agency to implement an electric manifest system for the transport of hazardous waste. She contended that establishing an effective e-manifest system would result in at least \$75 million in annual savings for users and states as well as efficiencies for regulated communities. Legislation is needed to grant the agency authority to collect user fees to fund the development and operation of the system.

### Overturing Tailoring Rule Harmful to Bakers and Farmers

At a June 19 House Energy and Commerce Subcommittee on Energy and Power, industry representatives said that overturning the Environmental Protection Agency's Tailoring Rule could harm the domestic baking and farming sectors. The Clean Air Act requires stationary sources with annual emissions greater than 250 MT to obtain prevention of significant deterioration permits. More than 37,000 farms emit between 100-25,000 MT per year; obtaining a permit is estimated to cost more than \$23,000. It would cost the agriculture industry more than \$866 million to obtain permits; and the Agriculture Department estimates that 90 percent of domestic livestock industry would be subject to Clean Air Act permitting requirements, which the Environmental Protection Agency has so far deferred.

### CRS Report Coal Ash

On June 19, the Congressional Research Service released the report Proposals to Amend RCRA: Analysis of Pending Legislation Applicable to the Management of Coal Combustion Residuals which said current legislation, specifically Rep. David McKinley's (R-WV) H.R. 4348 which is now a provision of the transportation bill, would provide little incentive for states to change the status quo for coal ash management regulations. McKinley's amendment prevents the Environmental Protection Agency from regulating coal ash as a hazardous waste and would leave the issue to states via a "permit program". Neither the amendment nor the current rulemaking at EPA to regulate ash from coal-fired power plants would apply federal standards for ash management, the report found.

### Legislation Introduced

Representative Marcy Kaptur (D-OH) introduced legislation (H.R. 5955) June 18 to amend the Farm Security and Rural Investment Act of 2002 to improve energy programs.

The following day, Representative Dennis Kucinich (D-OH) introduced legislation (H.R. 5959) to place a moratorium on permitting for mountaintop removal coal mining until the Department of Health and Human Services conducts relevant health studies.

On June 21, Senators Lisa Murkowski (R-AK) and Mark Begich (D-AK) introduced legislation (S. 3330) to authorize the establishment of a Niblack mining area road corridor in the State of Alaska.

The same day, Representatives Joe Heck (R-NV) and Martin Heinrich (D-NM) introduced legislation (H.R. 5991) to promote the development of renewable energy on public lands.

### Upcoming Hearings

On June 27, the House Appropriations Subcommittee on Interior and Environment will mark up draft legislation that would make fiscal year 2013 appropriations for the Department of the Interior, the Environmental Protection Agency, and related programs and agencies.

The same day, the House Natural Resource Committee will hold an oversight hearing titled "Mandatory Conditioning Requirements on Hydropower: How Federal Resource Agencies are Driving Up Electricity Costs and Decreasing the Original Green Energy."

The Senate Energy and Natural Resources Committee will hold a hearing June 28 to review innovative non-federal programs for financing energy efficient building retrofits. Witnesses include David Sundstrom, SCEIP program administrator of the County of Sonoma, California; Derek Smith, CEO of Clean Energy Works Oregon; William Rodgers, president and CEO of GoodCents; Sheri Borrelli, senior business

development professional for the United Illuminating Company; Susan Leeds, CEO of New York City Efficiency Corporation; and Jeffrey DeBoer, president and CEO of the Real Estate Roundtable.

The House Science, Space, and Technology Committee will hold a hearing the same day titled "Strengthening the Scientific Backbone of the EPA: An Examination of Agency Practices and Foundations for Regulations Affecting the American Economy."

On Thursday and Friday, the House Energy and Commerce Subcommittee on Energy and Power will hold a series of hearings titled "The American Energy Initiative," focusing on the particulate matter and greenhouse gas regulations, respectively.

## **Department of Energy**

### EERE Budget Concerns

Speaking before a Sustainable Energy Coalition forum June 21, Steven Chalk, deputy assistant secretary for renewable energy, said that House-passed legislation (H.R. 5325) that would cut \$374 million from the Department of Energy's Office of Energy Efficiency and Renewable Energy would devastate the program. The House version of fiscal year 2013 energy and water appropriations legislation would fund the program at \$1.45 billion, which is one of the largest reductions in the bill. The office provides funding for research, development, and deployment programs for a wide range of renewable energy and energy efficiency technologies. Senate language (S. 2465), passed by the Senate Appropriations Committee in April, would provide about \$2 billion for the office.

### Public Wind Awards

The Department of Energy recognized June 19 three utilities in Minnesota and California with the 2012 Public Power Wind Award. Minnesota's Moorhead Public Service, the Minnesota Municipal Power Agency, and California's City of Palo Alto Utilities received the awards at the American Power Association's annual conference.

### Building Operations Excellence

The Departments of Commerce and Energy announced June 19 selections for three Centers for Building Operations Excellence that will receive \$1.3 million to create and deploy programs aimed at training current and incoming building operators. Part of the administration's Better Buildings Initiative, the centers will work to improve domestic commercial building energy efficiency 20 percent by 2020, potentially reducing commercial energy costs by \$40 billion each year. The centers include the Corporation for Manufacturing Excellence in California, Delaware Valley Industrial Resources Center in Pennsylvania, and New York State Department of Economic Development in New York.

### Clean Cars for 5 National Parks

The Department of Energy and the National Park Service announced June 19 that five national parks will deploy fuel efficient and alternative fuel vehicles as part of an expanded partnership aimed at protecting America's prized natural environments. Through the Clean Cities partnership, Shenandoah National Park, Blue Ridge Parkway, San Antonio Missions National Historical Park, Golden Gate National Recreation Area, and Mesa Verde National Park build upon the success of last year's pilot projects at Grant Teton National Park, Mammoth Cave National Park, and Yellowstone National Park.

### Large RE Project Guide

The Department of Energy published June 22 a draft of *Federal Renewable Energy Guide: Developing Large-Scale Renewable Energy Projects at Federal Facilities Using Private Capital* for industry and agency comment. The Guide provides a project development framework to help federal agencies, private developers, and financiers coordinate on large-scale renewable energy projects that will help meet federal renewable energy goals. Comments will be accepted until July 2.

## **Department of the Interior**

### Fracking Rule Update's Comment Period to be Extended

The Interior Department is planning a 60-day public comment period extension for its proposed rule to update hydraulic fracturing on federal lands regulations to require chemical disclosure. The extension moves the July 10 deadline out to September 8. The update has a provision to protect proprietary information contained in chemical additive disclosures, mechanical integrity tests, and demands extensive drilling, water, and wastewater filings.

## **Environmental Protection Agency**

### Hazardous Air Pollutant Comments Extended

The Environmental Protection Agency announced June 20 that it would extend the time for comment to August 9 and add a public hearing July 10 for its proposed rule regarding hazardous air pollutant emissions from reciprocating internal combustion engines. The May 22 proposed rule revises existing regulations for engines usually used to generate electricity and power pumps and compressors at power and manufacturing plants. The agency will finalize the rule by December 14.

### Industry Backs EPA Biomass GHG Permitting Deferral

On June 21, the Renewable Fuels Association, Utility Air Regulatory Group, American Forest & Paper Association, and other industry groups filed a brief criticizing the Center for Biological Diversity's lawsuit challenging the Environmental Protection Agency's authority to defer until 2014 greenhouse gas permitting for sources burning biomass. The brief argues that the lawsuit was premature, as EPA has not yet completed its review. In July 2011, EPA issued a final rule exempting, until July 21, 2014, these new or modified facilities from significant deterioration and Title V operating permits, after the industry argued that on a life-cycle basis emissions were minimal.

### CA Officials Worry About Impact of Particulate Matter Regulation

California officials are raising concerns that the Environmental Protection Agency's newly proposed federal air quality standards for fine particulates will have a significant impact on areas of the state and could result, based on 2008-2010 air monitoring data, in several counties being designated as in nonattainment. EPA's computer models show only two California counties would still be designated as in nonattainment by the 2020 deadline.

## **Federal Energy Regulatory Commission**

### Intra-hour Scheduling

The Federal Energy Regulatory Commission approved a final rule June 21 removing barriers to more renewable energy generation on the electric transmission grid. The rule requires transmission providers to offer electric generators the option of scheduling transmission service at 15-minute intervals, and generating companies using variable energy resources must provide transmission owners with forecasting data. The rule, which will take effect in twelve months, contends that renewable energy sources are exposed to excessive imbalance service charges because they cannot adjust their generation to comply with current hourly schedules.

### Natural Gas-Electric Market Coordination

The Federal Energy Regulatory Commission announced June 21 that it will hold up to five regional technical conferences this summer to explore coordination between the natural gas and electric industries.

### Bulk Electric System Definition

The Federal Energy Regulatory Commission issued a proposal June 21 to accept the North American Electric Reliability Corporation's expanded definition of the bulk electric system to include transmission and power resource facilities operated as low as 100 kilovolts. The proposal eliminates the power regional entities have in defining transmission systems in their area without oversight from FERC or NERC, and opens discussion on potentially including sub-100 kV facilities in the definition.

### FERC Ancillary Services Comments

The Federal Energy Regulatory Commission is seeking comment on a proposed rule designed to

enhance competition in the market for bulk power transmission ancillary services. Comments are due 60 days after the proposed rule's publication in the Federal Register.

## **Federal Trade Commission**

### Merchant Transmission Projects

The Federal Trade Commission submitted comments to the Federal Energy Regulatory Commission June 19 expressing a preference for extending non-discriminatory, open-access transmission policies to new merchant projects in ways that support competition in electricity generation and transmission markets.

## **General Services Administration**

### Green Building Standards

The General Services Administration announced last week that it will issue a recommendation this fall on whether the federal government should continue using a third-party certification system as the primary federal standard for green buildings. The administration currently uses the U.S. Green Building Council's Leadership in Energy and Environmental Design program to certify federal buildings as environmentally friendly, but is reevaluating the standard under a periodic review of green building rating systems. The administration narrowed down more than 100 green building standards to three in April – LEED, the International Living Building Institute's Living Building Challenge, and Green Building Initiative's Green Globes. On a related note, the U.S. Green Building Council is currently developing the next version of LEED; it was scheduled to be released this fall, but has been delayed until next year.

## **Nuclear Regulatory Commission**

### Reactor Licensing Halt Requested

The Southern Alliance for Clean Energy and the Blue Ridge Environmental Defense League led more than 20 environmental groups and individuals in filing a petition June 18 asking the Nuclear Regulatory Commission to delay final licensing decisions for dozens of nuclear reactors until it has completed a rulemaking on the environmental impact of storing and disposing commercial spent fuel. The action is required under U.S. Court of Appeals for the District of Columbia Circuit's June 8 landmark waste confidence rule decision.

## **Personnel**

The Senate Environment and Public Works Committee approved June 21 Allison Macfarlane to be the Nuclear Regulatory Commission chairman and Kristine Svinicki to serve a second term on the commission. The Senate is expected to vote on the nominees at the end of this week.

Commerce Secretary John Bryson resigned as Commerce Secretary June 21, citing the effects of a seizure he suffered while driving on June 9. Deputy Secretary Rebecca Blank is serving as acting secretary.

## **States**

### NW Coal Exports

Assistant Secretary of the Army for Civil Works Jo-Ellen Darcy, the top official in charge of the U.S. Army Corps of Engineers, responded June 8 to an April 25 letter to Interior Secretary Ken Salazar, the secretary of the Army, and the director of the Bureau of Land Management from Oregon Governor John Kitzhaber (D) calling for formulation of a clear federal policy on proposed coal exports to Asia before further permitting and leasing decisions are made. Ms. Darcy said that no decision has been reached. At issue is the extent to which the corps will consider under the National Environmental Policy Act the cumulative impacts of six proposals to bring coal by rail and barges to Northwest ports for shipment to Asian markets.

### NC Sea Level Rise

The North Carolina State Senate approved legislation (H.B. 819) June 12 requiring planning and regulatory decisions related to coastal sea level rises to be based on historical data rather than scientific scenarios of accelerated sea level rise.

#### Oil Group Opposes CA Climate Law

The Western States Petroleum Association released a report June 19 contending that California's climate law (A.B. 32) could trigger higher gasoline prices, fuel shortages, and the closure of some state refineries by 2015. The report, *Understanding the Impact of A.B. 32*, reinforces many of the concerns voiced at a symposium in Sacramento that focuses on the state's low-carbon fuel standard, and finds that the standard and trading program would increase fuel prices by as much as \$2.50 a gallon, thus reducing demand that could cost 51,000 jobs.

#### CA Environmental Justice Concerns

The California Court of Appeal, First Appellate District, ruled June 19 that the California Air Resources Board did not violate the statutory requirements of the state's climate law (A.B. 32) in approving a strategy to implement the statute. The ruling comes in a legal battle by environmental justice advocates aimed at forcing the board to abandon its economy-wide greenhouse gas emission cap and trade program because they believe that it would adversely impact low income and minority populations.

#### NH Fuel Standard Rebuked by Legislature

On June 21, New Hampshire's law prohibiting the state from taking part in a low-carbon fuel standard without legislative approval (HB 1487) took effect over the objections of Governor John Lynch (D). In 2009, Gov. Lynch signed a memorandum of understanding with ten other Northeastern states to implement the standard, leading both bodies of the legislature to pass measures overriding the governor's action.

### **International**

#### Manitoba Environmental Plan

Canada's Manitoba unveiled June 15 an eight-year environmental protection plan that calls for mandatory greenhouse gas emissions reporting, more focus on renewable energy, and minimal-impact mining and petroleum development. Regulations requiring emissions reporting will be developed with input from industry. The plan includes a \$30 million Renewable Energy Jobs Fund to attract new investment in the production of equipment for biofuels, biomass heating, geothermal, hydro, solar, smart-grid technology, or wind.

#### UK GHG Reporting

The United Kingdom's Department for Environment, Food, and Rural Affairs announced June 20 that the more than 1,600 companies listed on the London Stock Exchange's Main Market will be required to report their greenhouse gas emissions in annual reports beginning next April. The requirement will reduce emissions, offer a single consistent standard to investors evaluate businesses' environmental performance, and provide information that could save companies money through reduced energy costs.

#### Mexican Fuel Economy Standards

Mexico will issue this November the Regulation for the Control of Emissions of Greenhouse Gases and Energy Efficiency Applicable for New Light Vehicles, fuel economy regulations for new cars and light-duty trucks that will prevent 160 MMT CO<sub>2</sub> emissions and save 327 million barrels of fuel in the period ending 2030. The standard would be enforced as of 2016.

#### Japanese RE Encouragement

Japan's Ministry of Economy, Trade, and Industry announced June 18 above-market rates to be paid for geothermal, solar, and wind power under long-term purchase contracts starting July 1 to encourage more power production from renewable sources. For the period ending March 31, 2013, utilities will be required to pay feed-in tariffs of 35 cents/KWh for geothermal, 54 cents/KWh for solar, and 30 cents/KWh for wind. Purchase periods will be 20 years for solar and wind and 15 years for geothermal. The program is

Japan's core policy to increase its rate of energy self-sufficiency, now at barely 4 percent; the country relies on imports for the rest of its energy, including primarily coal and oil.

#### Russia to Adopt EU Biomass Standards

Russia will begin July 1 legal implementation of European standards for biomass, thus allowing domestic producers to have their products officially certified. So doing is expected to significantly expand the export market for Russian wood pellets and other bioenergy feedstocks. The set of 19 standards applies to solid biofuel from agriculture and forestry production, cork waste, vegetable waste from the food industry, and wood waste from pulp production.

#### EU Cars on GHG Reduction Track

The European Environment Agency published figures June 20 finding that new cars sold in the European Union in 2011 emitted an average of 3.3 percent less carbon dioxide than cars sold the previous year. The data show that the auto industry is on track to meet an average 2015 EU emissions ceiling for private cars of 208 grams per mile.

#### Global Garbage Growing

The World Bank released a report June 6 concluding that urban expansion and continuing economic growth in the developing world will accelerate solid waste generation, increasing it by about 70 percent by 2025. The report, *What a Waste: A Global Review of Solid Waste Management*, found that global garbage production will increase from its current level of 1.3 billion tons a year to 2.2 billion tons in 2025, with management costs nearly doubling from \$205 billion to \$375 billion in 2025.

#### Italian Energy Efficiency

Italy's Ministries of Finance and Economic Development announced June 20 that they would soon unveil tax incentives for the construction sector and energy efficiency projects as the country seeks to encourage economic growth. The plan will give companies a 35 percent tax credit against employer contributions on new employee wages provided the new workers are full-time and remain employed for at least three years. Over the twelve month period ending next June 30, infrastructure projects that increase commercial structure and private residence energy efficiency will be eligible for up to a 50 percent tax reduction on related expenses.

#### Secretary General Challenges Rio+20 to Act

U.N. Secretary General Ban Ki-moon opened the formal portion of the Rio+20 sustainable development summit June 20, warning delegates that the world is watching to see if their words will translate into action. Speaking the day after negotiators finalized a document dealing with key conference themes, he told the high-level plenary that "the old model for economic development and social advancement is broken."

#### Corporate Water Sustainability

During the June 15-18 Corporate Sustainability Forum in Rio de Janeiro, forty five CEOs representing global companies that are significant water users sent world governments a statement that calls on them to make global water sustainability and safety top policy priorities. All of the statement's signers have endorsed the CEO Water Mandate U.N. Secretary General Ban Ki-moon launched in July 2007. The mandate, now approved by almost 100 major corporations, promotes the concept of corporate water sustainability by developing, implementing, and disclosing policies and practices in direct operations, supply chain, and watershed management.

#### Sustainable Business Practices

During the Business Case for the Green Economy and the Building Markets of Greener Products seminars at the Corporate Sustainability Forum in Rio de Janeiro June 17, corporate panelists spoke about how they are integrating sustainable principles into their business practices.

#### \$175 Billion for Sustainable Transportation

The world's eight largest multilateral development banks, the World Bank, the Asian Development Bank, the African Development Bank, the Development Bank of Latin America, the European Bank for

Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, and the Islamic Development Bank, pledged June 20 at the Rio+20 sustainable development conference to invest \$175 billion by 2022 in sustainable transportation systems, thus reducing deaths related to air pollution and traffic accidents. Most of the funds will be used to replace dirty buses with cleaner ones that will operate on their own fast-track lanes; improve freight transport to take trucks off the road; build subways in some cities; and reduce the amount of urban parking through more efficient management.

#### Dramatic Impacts of Global Energy Efficient Lighting

The U.N. Environment Program announced at the Rio+20 conference June 21 that a transition to energy efficient lighting could reduce global electricity consumption by 5 percent and save more than \$110 billion a year. The figures are based on 150 national assessments that analyze the financial savings and climate change mitigation benefits of shifting from traditional bulbs for consumers and the industrial, commercial, and street-lighting sectors. A global shift would avoid \$210 billion in investment costs and save 490 MT CO<sub>2</sub> a year, the equivalent of closing more than 250 large coal-fired power plants, or the emissions of more than 122 million medium-sized cars.

#### Climate Change Envoy Warns of Tipping Point

United Nations special envoy on climate change Gro Harlem Brundtland said June 21 that the Rio+20 summit agreement on sustainable development risks overlooking environmental tipping points and plenary limits in favor of economic and social factors. Ms. Brundtland chaired the commission that prepared the 1987 Our Common Future Report, which preceded the 1992 Rio Earth Summit and popularized the concept of sustainable development, and was a member of a High Level Panel on Sustainability this year that provided a report to the secretary general to help guide the Rio+20 process.

#### Campaign for Natural Capital Accounting

Speaking at a side event of the Rio+20 sustainable development summit June 20, World Bank Vice President for Sustainable Development Rachel Kyte announced that more than 50 countries and 86 large companies are supporting a campaign encouraging governments, businesses, and financial institutions to factor the value of natural assets like clean air and water, forests, and other ecosystems into their decision making.

#### 200 Action Pledges

The U.N. Global Compact initiative, a United Nations-led initiative involving nearly 7,000 businesses, presented U.N. Secretary General Ban Ki-moon with more than 200 company action commitments as well as public policy recommendations on sustainable development June 21 at the Rio+20 summit. The pledges and initiatives include an offer to establish and promote Sustainable Development Goals and a communiqué signed by 45 CEOs of major corporations outlining ways that governments can better manage water resources.

#### Corporate Sustainability Reporting Partnership

Brazil, Denmark, France, and South Africa announced a partnership June 20 at the Rio+20 Conference to encourage sustainability reporting as a standard practice among companies. The “friends of paragraph 47” support a section of the Rio+20 agreement document that states the importance of corporate sustainability reporting. The countries will meet soon to set objectives and develop a plan.

#### US Pledges \$2 Billion for Sustainable Development

The United States Department of State pledged at the Rio+20 summit June 21 \$2 billion in grants, loans, and loan guarantees to Sustainable Energy for All, an international initiative aimed at supporting development and clean energy projects launched by U.N. Secretary General Ban Ki-moon last September. The United States will work with governments to create policies to attract private investment for energy projects.

#### EU Technical Support

European Union Commissioner Andris Piebalgs announced at the Rio+20 summit June 20 that the European Union will create an EU Technical Assistance Facility, initially worth \$62.6 million over the next

two years to provide access to sustainable energy services to 500 million people by 2030. The innovative financing support will focus primarily on sub-Saharan Africa.

#### Cities Reducing Emissions

In June 19 remarks delivered at the opening ceremony of a C40 group of cities climate change meeting in Rio de Janeiro, New York City Mayor Michael Bloomberg announced that a coalition of the world's largest cities is advancing toward its goal of reducing annual greenhouse gas emissions by 250 MMT by 2020 and could quadruple that amount by 2030. Mayor Bloomberg said that even as international and national level progress on climate issues has faltered, cities have moved ahead with efforts to meet the goals of the U.N. Framework Convention on Climate Change set at the Earth Summit in Rio 20 years ago. The C40 group has grown to 59 cities, from 20 at its 2005 inception.

#### Smart Agriculture Reduces Energy Use

The U.N. Food and Agriculture Organization released a report June 14 urging countries to push for smart farming methods like more efficient food transport and distribution, low-energy practices, and the use of modern technologies. The report, *Energy-Smart Food at FAO: An Overview*, concluded that the agriculture sector can dramatically reduce energy consumption and increase its sustainability via specific steps, as a third of the world's energy is used for food production and distribution. The report estimated that about a third of the world's food production is lost to spoilage and waste, which could be reduced by half. The agency launched an Energy-Smart Food for People and Climate Program at the Rio+20 summit, focusing on energy efficiency and diversification and increasing access to new technologies for farmers in poor countries.

#### Building Resilience Initiative

On June 21, the Green Building Council, the C40 Cities Climate Leadership Group, ICLEI International, the World Bank, the Eye on Earth Summit, the Earth Council Alliance of Rio de Janeiro, and the Johns Hopkins University School of Advanced International Studies Program on Energy, Resources, and the Environment together announced the launch of the Global Initiative on Urban Resilience with the goal of fostering building and infrastructure development that will make cities more resilient against climate change. The announcement, made at the Rio+20 conference, detailed how the groups and large companies will work together to promote the inclusion of resilience as category for measuring building performance.

#### Consumer Goods Coalition Deforestation Initiative

On June 21, from the Rio+20 conference, the 400 member companies of the Consumer Goods Forum announced a plan for a "zero net deforestation" in their supply chains by 2020. The Consumer Goods Forum will co-host a meeting in Washington, D.C. this fall with members of the government, to identify deforestation policy goals.