



BCSE ISSUE BRIEF:

H.R. 9 and Why the Paris Agreement Matters to U.S. Clean Energy Industries

April 30, 2019

The Business Council for Sustainable Energy (BCSE) supports H.R. 9, the Climate Action Now Act, to ensure that the United States will meet its voluntary commitment to reduce greenhouse gas emissions under the Paris Agreement.

The Business Council for Sustainable Energy

The BCSE is a coalition of major American companies and trade associations from the energy efficiency, natural gas and renewable energy sectors. The BCSE was established in 1992 by corporate executives with the vision that an integrated, diverse, low-carbon energy portfolio for the United States would be the backbone of a secure, reliable and affordable economy for the country.

Why Action is Needed

Renewed U.S. leadership and engagement in the international efforts to combat climate change will deliver both diplomatic and economic advantages and opportunities to U.S. companies. It will also send a powerful signal for other major economies to fulfill their voluntary commitments.

A surge of climate action is taking place in the United States, led by American leaders in cities, states, the private sector, universities and other parts of society. This action is taking place across these diverse cross-sections of America because there are economic, environmental and public health benefits. The national discussion, led by a bipartisan Congress, can build upon this wave of momentum and incentivize even greater investments and actions.

The United States is a global leader in technology and innovation and should be fully engaged in the global effort to address climate change. The scope, scale and pace needed to reduce greenhouse gas emissions, as informed by the latest scientific research published in the Inter-governmental Panel on Climate Change (IPCC)'s [Special Report on Global Warming of 1.5°C](#) (2018), is unprecedented.

Taking action at home is a smart investment to mitigate the potential high costs to public resources and the American people. The [Fourth National Climate Assessment](#) (NCA4) specifically warns that “without substantial and sustained global mitigation and regional adaptation efforts, climate change is expected to cause growing losses to American infrastructure and property and impede the rate of economic growth over this century.”

Progress in Clean Energy Reveals Even Greater Opportunities for Policy Leadership

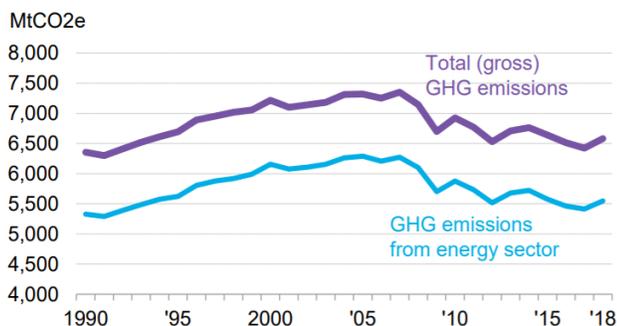
The United States has made substantial progress over the past decade to decarbonize its energy sector. This is due to a mix of federal and state policy incentives, as well as market forces that include falling technology costs and robust domestic supply of natural gas. These policies need consistency and clarity in order to ensure continued growth of these clean energy solutions.

According to the 2019 edition of the [Sustainable Energy in America Factbook](#), total gross greenhouse gas emissions now sit at roughly 10% below 2005 levels, or nearly two-fifths of the way to the 2025 target of 26% below 2005 levels. Of concern, however, is the finding that U.S. GHG emissions rose 2.5% in 2018, notably the first increase in recent years.

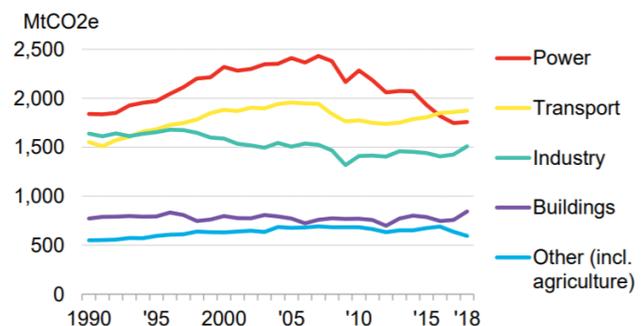
For the U.S. energy sector, the broad portfolio of energy efficiency, natural gas and renewable energy have enabled dramatic reductions in GHG emissions to date. More importantly, this clean energy transition has not increased the cost of energy, and these technologies now support over 3 million jobs across the country. Strong and consistent policy signals at the national level will ensure the continued expansion of clean energy and maximize its economic and environmental co-benefits.

U.S. energy overview: Greenhouse gas (GHG) emissions

Economy-wide and energy sector emissions



Emissions by sector



Source: Sustainable Energy in America Factbook, BloombergNEF and the Business Council for Sustainable Energy (2019), p.23.

Despite this progress, even more significant action is required to avoid the worst effects of climate change. Climate change is a serious issue that is already impacting today's economy through the high costs of disaster recovery and relief from extreme weather events. A national approach can direct this re-orientation and prevent catastrophic damages to the American economy. All sectors of the U.S. economy – including power, transportation, agriculture, industry and commercial and residential sectors – need to get on a decarbonization pathway to meet both 2025 and mid-century emissions targets.

Government Leadership Drives Ambition and Investment

The Business Council for Sustainable Energy is encouraged by the introduction of H.R. 9. The Council hopes that Congress takes this opportunity to show bipartisan effort to support the continued engagement of the United States in the Paris Agreement and to create a pathway toward meeting GHG reduction targets.

Please see [BCSE Recommendations for a Federal Climate Change Policy \(2019\)](#) and [BCSE's Letter to President Trump on U.S. Engagement in Paris Agreement \(May 3, 2017\)](#) for more information, or contact Ruth McCormick, Director, Federal Policy at the Council to schedule a meeting to discuss (rmccormick@bcse.org).