

Climate NATIONAL

U.S. House passes cap on carbon

Historians will look back to June 24, 2009, as the day the United States finally took a decisive step to control global warming. The House of Representatives voted to cap and reduce U.S. greenhouse gas emissions dramatically, opening the door to a better future.

Environmental Defense Fund was instrumental to the House victory, having contributed five years of scientific and economic research, expert testimony in Congress and nonstop efforts to persuade undecided House members in 40 key districts to vote yes. Eight Republicans crossed party lines to support the American Clean Energy and Security Act, all of whom we had contacted personally.

EDF helped build momentum for federal climate action by winning state-level victories and defending them in court. We also co-founded the U.S. Climate Action Partnership, an influential business-environmental alliance that provided a blueprint for legislation.

“A well-designed cap will smooth the transition to clean energy and keep electricity affordable,” says Jim Rogers, CEO of Duke Energy, one of the 26 leading companies allied with us.

“When the heads of major corporations and leaders of national environmental groups walk through the door together, that sends a powerful message,” says our legislative director Elizabeth Thompson.

With jobs at the center of the debate, we mapped businesses in major manufacturing states whose employees are part of the new green economy. This helped convince

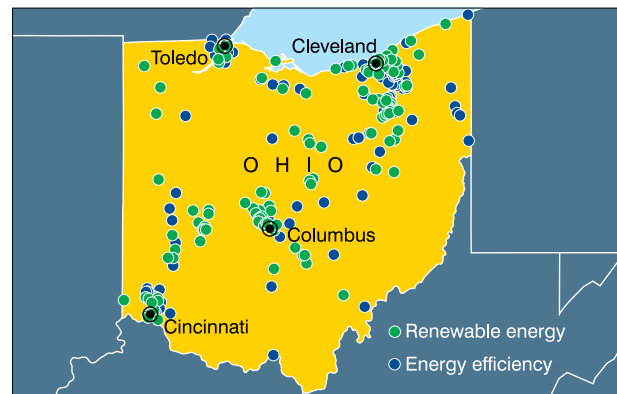
legislators of the significant economic opportunities that will be unleashed by enacting a declining cap on carbon.

When special interests mounted a campaign to spread fear about the cost of climate action, we countered with sound economics. Our analysis, reinforced by the Congressional Budget Office, shows the U.S. can enjoy robust economic growth over the next several decades while making ambitious reductions in global warming pollution.

EDF’s climate team, more than 50 strong, now has its sights on the Senate, where we must overcome an expected filibuster. Our efforts have ranged from buttonholing senators one by one to delivering 400,000 messages from our members, all urging legislators to pass a climate bill.

“This is the defining environmental issue of our time,” says Thompson. “We must act now, for our climate, our economy and our children.”

Less carbon = more jobs



Ohio is one of 23 states where we studied companies poised to create new jobs in the low-carbon energy economy.

[ONLINE: Explore all the states at lesscarbonmorejobs.org](http://lesscarbonmorejobs.org)



ENVIRONMENTAL DEFENSE ACTION FUND



Moving the needle in the Senate

The seventh-floor suite in the nondescript Washington, DC, office building has the feel of a classic political campaign: walls covered with electoral maps, huge calendars and whiteboards. Dozens of staff are calling supporters, patching calls into Senate offices and conducting opposition research.

But there's a difference. This campaign headquarters is nonpartisan. It's occupied by a coalition of more than 70 organizations, including labor, religious, environmental and veterans' groups, which EDF co-founded to pass strong climate legislation in the Senate.

The war-room-type operation has generated huge turnouts at clean-energy events in 28 states. From a veterans' bus tour in New Hampshire to a faith community

walk in New Mexico, concerned citizens are turning out to push for Senate action.

Our leadership role in the operation is made possible by our sister organization, Environmental Defense Action Fund. We established the Action Fund to raise nondeductible contributions that enable our legislative efforts to exceed the \$1 million cap that otherwise would apply under the tax law. With the opposition spending more than \$500 million in 2009 trying to block a climate solution, the environment is making itself heard, too.

"We can't match industry lobbyists dollar for dollar, but high-profile advocacy can cut through their misinformation," says Action Fund VP Wendy Sommer. For example, EDF teamed up with two Silicon Valley business groups representing more than 200 companies to place hard-hitting ads to sway Congress.

We also deliver our message directly to Capitol Hill, with our Strategic Partners—including civic leaders, economists and CEOs—contacting legislators personally. In May, our partners helped bring 30 U.S. senators and representatives to the Russell Senate Office Building Caucus Room to hear our position on a nationwide carbon cap.

"Getting to a climate bill has been a long haul," says our chief Senate strategist Mark MacLeod, "but the final destination is in sight."

"EDF's engagement has been profoundly important in helping pass comprehensive cap-and-trade climate legislation."

LAWRENCE SUMMERS
DIRECTOR, NATIONAL ECONOMIC COUNCIL



Mayor John Fetterman (far left) of Braddock, PA, appeared in our Action Fund advertising and testified on Capitol Hill about new jobs for steelworkers that a cap on carbon will create.



"A strong climate bill will create new jobs, clean the air, reduce our oil dependence and protect the climate. Delay is not an acceptable option."

STEVE COCHRAN
NATIONAL CLIMATE CAMPAIGN DIRECTOR

EPA slashes car emissions

When President Obama announced an agreement with automakers in May to cut global warming pollution from passenger vehicles, reducing their emissions by 20%, it capped a multiyear EDF campaign.

We first got involved in 2002, helping secure the votes to pass a landmark California law, the nation's first to limit greenhouse gas emissions from vehicles. We then deployed our Action Fund to help spread the victory to 13 other states. This paved the way for automakers to embrace the new standards nationwide.

INTERNATIONAL



Engaging China and India on climate

As world leaders inch toward an international climate agreement, one thing is certain: Success requires concrete commitments from China and India, Asia's economic tigers.

More than a decade ago, Beijing called on our chief economist Dr. Daniel Dudek to help create a national market to cut sulfur dioxide pollution. Now, with China having emerged as the world's largest greenhouse gas polluter, we're helping China tackle greenhouse gases in the same way.

Working with us, the China Beijing Equity Exchange established an environmental commodities exchange last year, and the first domestic market-based transaction was completed in August. Tianping Auto Insurance purchased emission credits generated by Green Commuting, a program EDF first developed for the Beijing Olympics that has expanded to more than 20 cities. The trade makes Tianping the first carbon-neutral company in China. The stage is now set for China's eventual engagement in a global carbon market.

For India, a decentralized nation of 1.2 billion people, action to control rapidly rising global warming pollution must begin at the local level.

"India's going to be a central climate player, so we're positioning EDF as an honest broker for change," says Richie Ahuja, the Delhi-based director of our India program.

As the world's largest democracy, India wields huge influence on the developing world. To reach the country's 700 million people under the age of 35, we helped launch the Indian Youth Climate Network. In 2009, the network grew to 300,000 members advocating climate action. We also teamed up with The Hunger Project to produce a popular film called *A New Beginning*, dramatizing the link between global warming and rural poverty.

Says Dudek: "With China and India engaged, we can beat global warming."



"For developing countries, the path toward climate stability and the path out of poverty have to be one and the same."

PETER GOLDMARK
CLIMATE PROGRAM DIRECTOR



Rainforests: A key piece of the puzzle

The burning of tropical forests produces nearly one-fifth of all greenhouse gas pollution, more than all the world's cars and trucks. But current climate treaties fail to address deforestation.

EDF teamed up with Brazilian partners to propose a solution: Make rainforests worth more alive than dead, by awarding credits in the global carbon market to nations that reduce deforestation. We advanced the plan at climate treaty talks and engaged leading scientists to show that reduced deforestation can be verified accurately.

In 2009, our partners convinced the Brazilian government to commit to reduce deforestation 80% by 2020. Brazil also launched an Amazon Fund, modeled on our proposal, and Norway pledged \$1 billion to it. "Avoiding deforestation is the quickest, cheapest route to achieving greenhouse gas reductions," says our director for tropical forest policy Dr. Stephan Schwartzman.

ENERGY



“The U.S. energy system is at a crossroads. EDF will focus on the role the private sector must play in achieving the clean-tech revolution we need.”

JIM MARSTON
ENERGY PROGRAM DIRECTOR

Climate Corps: On the front lines

EDF is putting America's next generation of Chief Green Officers to work. We recruited top-flight MBA students and placed them at 23 companies like Cisco Systems, eBay and Raytheon with the mission of saving money through energy efficiency. This year's fellows uncovered 160 million kilowatt hours of annual energy savings—enough to power 14,000 homes. “The Climate Corps program was crucial to eBay's effort to articulate its carbon reduction target,” says eBay's Bence Oliver.

▶ **VIDEO:** Meet the MBA students at edf.org/climatecorps



Revolutionizing the electric grid

Imagine if America's electric grid were interactive, like the Internet. When the supply of electricity runs short, an intelligent grid could signal appliances to operate later. When solar or wind generation peaks, the grid could route excess power to the batteries of plug-in hybrid cars.

That's the vision of the Pecan Street Project, an initiative developed by the City of Austin in collaboration with EDF, Austin Energy and the University of Texas to reinvent the way electricity is generated and used. More than a dozen companies, including Dell, GE and IBM, have partnered with us this year to make that vision a reality.

The project puts Austin at the forefront of a movement to deliver electricity in ways that reward conservation and integrate clean energy sources. We are preparing recommendations for smart-grid innovations like cooperative solar farms. Thomas Edison would be impressed.



LEVERAGING AN OPPORTUNITY

Making New York a sustainable city

As an advisor to Mayor Michael Bloomberg's sustainability team, EDF is helping shape plans to cut New York City's global warming pollution 30% by 2030. The biggest opportunity is to retrofit buildings, which account for 80% of the city's carbon dioxide emissions.

Leverage point: This year, EDF helped put in place a new law that empowers city government to deliver low-cost financing for energy efficiency in commercial and residential buildings across the city. The plan could save \$750 million a year in energy costs, while reducing greenhouse gas pollution dramatically.

Allies: The Mayor's Sustainability Office, Green Building Council, labor and community leaders

A donor's perspective:

“EDF is pioneering energy-saving solutions in New York City real estate. These solutions can be replicated nationwide.”

JEANNE DONOVAN FISHER
EDF TRUSTEE

40% of new U.S. electric generating capacity last year came from wind power