

May 21, 2020

The Honorable Charlie Baker
Governor of the Commonwealth of Massachusetts
Massachusetts State House, Room 360
Boston, MA 02133

The Honorable Robert DeLeo
Speaker of the House
Massachusetts State House
24 Beacon Street, Room 356
Boston, MA 02133

The Honorable Karen Spilka
Senate President
Massachusetts State House
24 Beacon Street, Room 332
Boston, MA 02133

RE: Business Coalition Sustainability Recommendations for MA Leadership and Task Force Response to COVID-19

Dear Governor Baker, Speaker DeLeo, and President Spilka:

We understand that your top priorities amidst the COVID-19 pandemic are emergency relief measures and the well-being and safety of all Massachusetts residents. Your leadership in response to this public health and economic crisis will set a precedent with ripple effects for other states. For more than 30 years, Ceres has leveraged the power of influential investors, Fortune 500 companies and thought leaders to tackle a wide range of sustainability challenges. We write today to offer our expertise in private sector management of systemic risks related to climate change. As you turn your focus from relief to recovery in the coming weeks, we ask that you also prioritize sustainability and equity in your decisions in order to avoid worsening the impacts of the ongoing climate crisis. In particular, we hope that you will uphold Massachusetts's long history as a climate leader.

One way to ensure Massachusetts “builds back better” is to prioritize programs that align with the Commonwealth’s recent commitment to reach net-zero emissions by 2050. To date, Massachusetts has set some of the most ambitious climate goals in the country—yielding significant economic benefits. In 2019, approximately 118,000 residents worked in clean energy industries,¹ which collectively contributed almost \$14 billion to state GDP.² Membership in the Regional Greenhouse Gas Initiative (RGGI) alone has resulted in over \$450 million in additional investments over the last decade, which significantly mitigated air pollution, improved public health, and reduced energy costs for businesses and consumers.³

¹ E2. “E2 Clean Jobs Massachusetts 2019: 117,669 Clean Energy Jobs across the Bay State.” April 21, 2020.
<https://e2.org/reports/clean-jobs-massachusetts-2019/>

² MassCEC. “2019 Massachusetts Clean Energy Industry Report.” February 7, 2020.
<https://www.masscec.com/2019-massachusetts-clean-energy-industry-report>

³ Environment Massachusetts. “From Pollution to Solutions.” Fall 2018.
<https://environmentmassachusettscenter.org/sites/environment/files/reports/From%20Pollution%20to%20Solutions%20MA.pdf>

However, the current pandemic has the potential to diminish the state’s capacity to make emissions reductions needed by 2050 to prevent the worst effects of climate change. We encourage the General Court to adopt legislation to codify the state’s net zero goal and set interim targets. This will ensure the Commonwealth’s recovery is aligned with our long term challenges—improving economic resilience and providing efficiencies and co-benefits throughout the economy.

We have a unique chance for key sectors—from healthcare and transportation to energy and buildings—to become more robust and resilient. The urgent need for economic stimulus as the Commonwealth recovers from the COVID-19 pandemic is a critical moment to leverage federal funds and direct the state’s resources to the most impactful investments. Coordination through the COVID Regional Advisory Council and regional programs such as RGGI and TCI can ensure Massachusetts and our neighbors build back better together. In mitigating the economic impacts of COVID-19, we strongly encourage you to consider the following recommendations:

1. **Adopt net-zero legislation** which includes the creation of [a roadmap](#) for the state to achieve the goal. [Businesses support this legislation](#)⁴ and economic subsidies for industry should be conditioned on requirements to use energy resources more efficiently and reduce emissions in line with the state’s target of net-zero in 2050.
2. **Advance the Transportation & Climate Initiative and expand funding for clean transportation infrastructure.** Over [110 businesses, investors, and institutions support TCI](#) because it will create the long term incentives and investments necessary to decarbonize the transportation sector and help support efforts to like the expansion of rural broadband and remote work, which helps keep people off the roads and safe during a public health crisis.
3. **Adopt Transportation Financing legislation** to raise revenue and begin capital improvement projects. The businesses we partner with [support transportation finance legislation under consideration](#) that includes pedestrian and bicycle infrastructure, public transit, electric vehicle infrastructure and more.
4. **Focus investments in a net-zero emissions future on underserved rural and urban communities** and small businesses—these communities are being hit the hardest by the pandemic’s associated economic crisis and need the most assistance.
5. **Support the deployment of zero-carbon technologies.** Programs should promote domestic innovation, investment, and manufacturing in clean energy and transportation technologies and practices. The development of offshore wind alone could create thousands of jobs, establish our region as a hub for clean-tech development and deployment, expand the market for local renewables, reduce respiratory co-pollutants, and save ratepayers billions of dollars.
6. **Maintain or expand funding for energy efficiency programs** and programs that incentivize voluntary efficiency investments. Energy efficiency is our least-cost energy resource, supports over 84,000 local jobs in Massachusetts and provides critical savings through lower utility bills.

⁴ Major investors and companies urge Massachusetts to commit to a net-zero carbon economy <https://www.ceres.org/news-center/press-releases/leading-investors-and-companies-urge-massachusetts-commit-zero-carbon>

Suggestions include targeting unoccupied facilities for projects, focusing on health and hygiene improvements to air ventilation systems and adjusting and expanding training programs to incorporate remote learning.

7. **Consider extension of existing and development of new tax incentives and rebates** which can advance adoption of technologies that enhance our economy's resiliency and improve public health. Renewable energy, energy storage, and electric vehicles should all be part of our clean recovery. An expansion of the successful MOR-EV program and incentives for zero emission medium and heavy duty vehicles will drive growth and reduce harmful co-pollutants.
8. **Continue to uphold environmental and labor regulations** that protect the health and well-being of our communities. Potential costs of regulation and enforcement do not outweigh the public health and environmental benefits for our communities and a great deal of damage can be caused even during a temporary pause in environmental regulations. The businesses we partner with strongly support continued enforcement of regulations, including [federal standards](#).
9. **Enforce state labor protections, healthcare access, and provide equitable unemployment support.** Company commitments to respect and promote human rights rely on strong state enforcement, especially in times of economic distress.
10. **Encourage your insurance and banking regulatory agencies to take action to address climate risks.** Actions that can be taken include affirming that climate change is a systemic financial risk, assessing its impacts on key industries, integrating climate risk in prudential supervision, including through the stress testing process, calling for climate risk disclosure, and collaborating with others in the regulatory and policy ecosystem to allow for coordinated effort forward.

We are already witnessing the impacts of the climate crisis on the health and financial well-being of our businesses and communities. It is imperative not to react to one global crisis by adding fuel to the fire of another ongoing threat. **Efforts to restart the economy can be aligned with Massachusetts' reputation as a climate leader and must not encourage an increase in greenhouse gas emissions.** This outcome should be a priority in decisions made by the Baker administration and recommendations from the advisory board for reopening the state economy's, any economic recovery package, and other legislation or executive action to address the impacts of the COVID-19 pandemic.

Thank you for your consideration.



Mindy Lubber
President & CEO
Ceres

CC: Members of the Massachusetts General Court

Co-chairs of the Massachusetts Economic Reopening Advisory Board:

Karyn Polito, Lieutenant Governor

Mike Kennealy, Secretary of Housing and Economic Development

Katie Theoharides, Secretary of Energy and Environmental Affairs

Stephanie Pollack, Secretary and CEO MassDOT

Martin Suuberg, Commissioner MassDEP

Ceres BICEP Network

Ceres launched the BICEP Network in 2008, which now includes 58 major consumer-facing U.S. companies committed to publicly supporting climate and energy policies that will stimulate job creation and economic growth while lowering carbon emissions. *Learn more:* www.ceres.org/BICEP

Ceres Company Network

Through direct stakeholder engagement, standard-setting, regular benchmarking, and strong collaborations with coalitions, Ceres moves 50+ member companies, nearly 75 percent of them Fortune 500 firms, to raise their ambition on robust sustainability goals and improve resiliency in their operations and supply chains. *Learn more:* www.ceres.org/companynetwork

Ceres Investor Network

Since the founding of the Ceres Investor Network in 2003, Ceres has mobilized its members to advocate for a net-zero emissions economy, with a particular focus on corporate behavior, policymakers, and key capital market actors. Our network includes 175 members with collectively nearly \$30 trillion in assets under management. *Learn more:* www.ceres.org/investornetwork

Ceres Energy Optimization Workgroup

This group brings together leading businesses, service providers, product manufacturers, and end users, to advance energy optimization outcomes and policies. Priorities include energy benchmarking, integrated resource planning, building energy codes, energy efficiency resources standards and more.

Corporate Electric Vehicle Alliance

This collaborative group of 15 companies focused on accelerating the transition to electric vehicles (EVs). It supports companies in making and achieving bold commitments to fleet electrification. The Alliance also loosely aggregates corporate demand for EVs to expand the business case for production of a more diverse array of EV models. *Learn more:* www.ceres.org/corporate-electric-vehicle-alliance