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Governor Gretchen Whitmer P.O. Box 30013 Lansing, Michigan 48909

Re: Michigan Businesses Support Action on Climate

As major businesses, institutions, and employers in Michigan, we write to express our support for advancing statewide strategies to mitigate climate change. We understand that your top priorities since the start of the pandemic have been emergency relief measures and the safety of all Michiganders. As you turn your focus from relief to recovery, we ask you also to prioritize strategies to advance sustainability and equity in order to build a more resilient and just economy and address the impacts of our ongoing climate and health crises.

We have each made significant investments to reduce our greenhouse gas (GHG) emissions because climate change poses a material risk to our businesses, threatens the competitiveness of our supply chains, and impacts the communities in which we operate. The cascading effects of climate change extend from public health consequences to reduced crop production to unreliable infrastructure – all of which impact the state's economy and well-being and have a disproportionate effect on low-income populations and communities of color. Because of these risks and impacts to our businesses, customers, and communities, we view climate action as a top priority for Michigan – and we are doing our part.

And we are not alone. In Michigan, and across the country, companies are driving the demand for emissions reductions. More than half of Michigan's 25 largest employers have invested in clean energy or set goals to reduce GHG emissions. In addition, 44 companies with footprints in the state have committed to power their operations with 100 percent renewable energy. To remain at the cutting edge of an increasingly competitive marketplace, we must take advantage of clean energy technologies including energy efficiency, energy storage, and electric vehicles. Before the start of the pandemic, clean energy investments helped create more than 126,000 Michigan jobs. A renewed commitment to clean energy and climate action will attract new businesses, drive the creation of new jobs and investments, preserve and restore Michigan's clean energy economy, and enhance the vitality, resilience, and growth of our state.

General Motors, Ford Motor, Lear, Whirlpool, Dow, Kellogg, Stryker, CooperStandard, BorgWarner, State of Michigan, Michigan State University, KitchenAid, McLaren Health Care

As large employers and major energy consumers with diverse supply chains, we understand firsthand the economic risk posed by climate change and the parallel opportunity presented by a low-carbon economy. Our companies are making investments to reduce our GHG emissions because it supports our bottom line and because it is our corporate responsibility to consider the impacts of our operations. We are proud of Michigan's commitment to the U.S. Climate Alliance and support Governor Whitmer in taking new action to ensure we, as a state, do not fall short on our promise. By taking climate change seriously, Michigan sends a signal that it is committed to keeping our businesses viable and supporting a just and prosperous future for all Michiganders.

Sincerely,

Ascension
Brewery Vivant
Cree Lighting
Crystal Mountain
Eaton
Energy Management Solutions
EILEEN FISHER
General Mills

Johnson Controls
Kellogg
Nestlé
Schneider Electric
Mt. Brighton & Vail Resorts
Washtenaw Community College
Worthen Industries

Ascension is a faith-based healthcare organization dedicated to transformation through innovation across the continuum of care. Ascension operates 16 hospitals, and 700 sites of care in the state of Michigan. Ascension participates in the Health Care Climate Challenge and has signed We Are Still In. The Ascension Environmental Stewardship Program started in 2008 with a focus on energy efficiency. Medxcel (Ascension's facility management subsidiary) tracks energy use at all sites of care and has demonstrated that from July 2008 through June 2018, its acute care facilities achieved energy use reductions of 29.2%, \$61.9 million in cost avoidance and 1.5 million tons reduction in carbon dioxide emissions. In 2012, Ascension became a founding partner in the U.S. Department of Energy Better Buildings Challenge with a goal to reduce energy use 20% by 2020 across its hospitals – and met the goal three years early. Medxcel is now implementing LED lighting retrofits and deploying building management systems with a real-time dashboard at all hospitals.

Tackling climate change is essential to protect Michigan's thriving brewing industry as well as our state's economy, environment, and quality of life. In 2012, **Brewery Vivant**'s investments in efficient heating and cooling technology, a rainwater catchment system, and water conservation were recognized with the first ever LEED certification for a production brewery in the United States. And in 2014, we became the 4th certified <u>B Corporation</u> in West Michigan. We source more than 10% of our energy use from on-site solar panels and are actively working towards greater carbon reductions in our operations.

Cree Lighting has helped businesses, homeowners, and institutions across Michigan reduce energy waste, save money, pollute less, and enjoy more efficient and reliable lighting. For example, in 2017 we helped replace the lighting systems of 11 Michigan hospitals in the McLaren Health Care system. Those new lighting systems saved McLaren Health Care an estimated \$1.6 million a year, and collectively, the hospitals recovered their installation costs in just 3.7 years. At the same time, the hospitals became safer and more comfortable. Michigan has barely scratched the surface of what energy efficiency can do. Statewide strategies that reduce electricity waste will help Michigan keep the air clean and benefit more from the innovative new technologies that are powering our clean energy future.

At **Crystal Mountain**, we believe the prosperity of our people and our environment are interdependent. This belief has driven several clean energy initiatives that reduce the carbon footprint of our resort

including building the Midwest's first LEED certified spa, providing geo-thermal heating and cooling for our new, 30,000 square foot Inn building and advocacy for our electric Co-op's decision to provide all of its customers with over 60% zero carbon electricity. Re-lamping just one of our buildings with LED's now saves enough electricity to power a Chevy Volt more than 200,000 miles each year. We were also the first Michigan resort to provide free electric vehicle charging, which complements our walkable and bikeable village design. These initiatives attract new guests to our resort, increase the resiliency of our mountain community and provide a cleaner environment for all to enjoy.

At **Eaton**, sustainability is at the core of our mission – to improve the quality of life and the environment. That's why we plan to reduce carbon emissions from our operations by at least 50% by 2030, positioning us to achieve carbon neutrality at the same time. Over the next 10 years we're also aiming to certify 100% of our manufacturing sites as zero waste-to-landfill and to invest \$3 billion in research and development targeted at creating sustainable solutions for our customers. We're doing our part to limit the increase of the world's temperature to 1.5°C, while at the same time establishing new standards for stronger governance, increased transparency and higher levels of support for our communities.

Sustainability is central to our business at **EILEEN FISHER** and that includes efforts to reduce our carbon footprint. We design clothes that are meant to last and strive to use fewer resources in the process. In 2009 we launched the Renew program, a circular product initiative created to reduce the strain of the apparel industry on our planet's natural resources. We all have a role to play if we are to address climate change and we encourage Michigan to fully embrace clean energy and other innovative low-carbon solutions.

Energy Management Solutions (EMS) provides energy conservation and management services for businesses to help them strengthen their bottom lines. More and more, businesses are interested in renewable energy and energy efficiency options to minimize their carbon footprint while saving money on their energy bills. EMS is able to connect them with viable options for sustainable, cost-effective energy use. We are proud of the work we have done across the state to implement projects that have reduced energy waste and saved hundreds of thousands of dollars for our clients.

General Mills was the first company across any sector to set a science-based target initiative commitment in 2015 for GHG reduction of 28% across our entire value-chain out to Scope 3 (agriculture) by 2025 and to sustainable emissions levels in line with scientific consensus by 2050. Like others among our coalition, our products and value chains are rooted in the health of agricultural systems – systems that are particularly vulnerable to the impacts of climate change and can play an important role in reducing emissions. Last year, General Mills announced a commitment to advance regenerative agriculture on one million acres of farmland by 2030. In Michigan we launched a three-year pilot on dairy farms to study the impacts of regenerative agriculture on soil health and profitability, and modeling will be used to inform and improve state CAFO regulations. We also worked with 16 dairies to sustainably source milk for our Reed City yogurt plant that achieved an 11% reduction in GHG emissions between 2016-2018. General Mills is also proud to have recently achieved 100% renewable power for our direct operational needs in the United States.

Johnson Controls has been dedicated to saving energy and protecting the environment since our invention of the electric thermostat in 1885. In over 150 countries, our products and services empower customers and communities to increase safety, sustainability and resilience. From 2002 through 2019, we are proud to have reduced our energy intensity by 51% and our greenhouse gas intensity by 65%. We have set goals to reduce our energy and greenhouse gas intensity an additional 25% by 2025 and have committed to set science-based targets in line with the Paris Accord later this year. While we are proud of our achievements, we are committed to working with our employees, suppliers and customers to take urgent action on climate change.

At **Kellogg**, we know the risks posed by climate change threaten the viability of our business and the livelihoods of our farmers. That's why as part of our Better Days global purpose platform, we are doing our part to mitigate climate change by reducing greenhouse gas emissions in our plants by 65% and working towards 100% renewable energy by 2050. We are also partnering directly with our farmers to support research and training in sustainable farming and encourage adoption of Climate Smart Agriculture - a program that addresses food security and climate challenges. By acting on climate, we can safeguard our local economy for years to come.

As the largest food company in the world, **Nestlé** recognizes the magnitude of the risks posed by climate change and our responsibility to act in scale. We are committed to reducing GHG emissions across our value chain in line with science-based targets and have set a goal of carbon neutrality by 2050. A third of our factories are already run on 100% renewable energy and, by 2050, we plan to source all of our factories, warehouses, logistics, and offices with renewables -- including our many locations in Michigan. Our Stanwood plant was among the first food and beverage manufacturing buildings in the United States to achieve LEED certification and our Fremont plant supplies organic waste to a local biodigester to reduce methane emissions and produce clean energy. Taking action to mitigate the effects of climate change is necessary to help ensure the ongoing success of our own business and those in our supply chain, as well as protecting the world around us.

As a global operator of 37 mountain resorts, **Vail Resorts** is passionate about the environment in which we live, work and play. After more than a decade of setting and reaching environmental goals, in 2017 we set our sights on zero – to achieve a zero net operating impact by 2030. Commitment to Zero, Vail Resorts' bold sustainability initiative includes reaching zero net emissions; zero waste to landfill; and zero net operating impact on forests and habitat across each of our resorts – including **Mt. Brighton** in Michigan. It has become a part of the fabric of our company as we work every day to operationalize sustainability. With each business initiative we undertake — whether it be snowmaking or restaurant renovations — sustainability has a seat at the table. Over the last two years we invested nearly \$5 million in energy efficiency capital projects, collaborated with local utilities to bring more renewables into their energy portfolios and signed a12-year virtual power purchase agreement to enable the development of a new wind farm and reduce the emissions associated with our North American electricity usage for FY19 by nearly 100 percent when it comes online this year.

At Washtenaw Community College (WCC), sustainability is an integral component of our curriculum, our landscape, and our operations. WCC was an early signatory of The Presidents' Climate Leadership Commitments (signed the Carbon Commitment), driving the implementation of the WCC's Climate Action and Sustainability Plan (CASP) and a goal of carbon neutrality by 2060. Under our President's leadership, the WCC Sustainability Council regularly assesses progress towards our climate goals and recommends new sustainability policies, such as instituting a green building requirement that demands all new construction or significant renovations be LEED Silver certified, investing in energy-efficient appliances, and adopting waste reduction measures. The college is making progress in reaching its goal of reducing all energy use by 2% annually through 2030. Additionally, the College will pursue, through solar panel system investments and green power purchases, to have all electronic energy requirements through sustainable sources. We believe climate action requires positive action, collaboration and creative problem solving -- and we are doing what we can.

Worthen Industries is committed to doing our part to drive a clean energy economy. We have invested in numerous energy efficiency and renewable energy projects at all of our facilities. We have the largest rooftop solar array in New Hampshire, and we have retrofitted our building in Grand Rapids to support rooftop solar panels. We are also investing in clean transportation by sourcing our vehicle fleets with hybrid electric and other fuel-efficient vehicles. These clean energy investments help our company both

lower energy costs and improve the predictability of those costs, and, with the right policies in place, will contribute to decreasing the strain on the electric grid at large. We encourage Michigan to embrace the transition to clean energy, which will help spur economic growth in the state and allow companies like ours to meet our sustainability goals.