



*The occasion is piled high with difficulty and we must rise with the occasion. As our case is new so must we think anew, and act anew.  
Abraham Lincoln*

## **Business for Innovative Climate and Energy Policy (BICEP)**

### **Principles for U.S. Climate and Energy Policy**

The recent economic crisis and the looming threat of global warming together present a profound opportunity for U.S. businesses. The bold steps that are needed to restore our economy are the same courageous actions needed to solve the climate crisis. A rapid transition to a 21st century, low-carbon economy will create new jobs and stimulate economic growth while stabilizing our planet's fragile climate.

We, the founding companies of BICEP (Business for Innovative Climate and Energy Policy) Levi Strauss & Co., Nike, Starbucks, Sun Microsystems and Timberland, take seriously and are deeply concerned about the impacts of climate change. We are concerned for the long-term sustainability of our businesses, our economy, and the countries and communities in which we operate. We firmly believe that a vibrant economy requires the certainty derived from effective and meaningful energy and climate change regulation that places a cost on carbon emissions, creates incentives for true clean energy innovation, and ensures public investment in renewable technologies and environmentally sustainable jobs.

Further we believe, that the United States must re-engage and provide strong leadership in the international climate negotiation process. It is crucial that a new legally-binding global agreement is agreed upon by the time of the international climate talks in Copenhagen in 2009 – and that the United States is part of this agreement.

Thus, with a spirit of urgency and a commitment to strategic collaboration, we stand together and call for inclusion of the following energy and climate principles in the development of U.S. energy and climate legislation and/or rulemaking:

#### **I. Reduce greenhouse gas emissions to 80 percent below 1990 levels by 2050**

**1. Set greenhouse gas reduction targets:** The United States must achieve a reduction in greenhouse gas emissions of 80 percent below 1990 levels by 2050 and at least 25 percent reduction below 1990 levels by 2020.

**2. Establish a cap-and-trade system:** The United States must establish an economy-wide cap on greenhouse gas emissions and allow for a trading system which (i) incorporates a 100 percent auction of allowances, (ii) promotes energy efficiency, and (iii) accelerates clean energy technologies that help achieve the targets mentioned above at the lowest possible cost.

## **II. Promote Energy Efficiency**

**3. Establish aggressive energy efficiency policies:** The United States should move forward with aggressive energy efficiency policies -- including, but not limited to, stronger building codes, appliance standards, vehicle fuel efficiency standards, and tax incentives, and the establishment of a nationwide energy efficiency resource standard (EERS) -- to promote at least a doubling of our historic rate of energy efficiency improvement.

**4. Encourage transportation for a clean energy economy:** The United States should utilize standards, incentives, and other policies to promote efficient vehicles, plug-in electric hybrids, low-carbon fuels, reduction in vehicle miles traveled and transit-oriented development.

## **III. Invest in a Clean Energy Economy**

**5. Increase investment in technology while eliminating subsidies:** The United States should ensure public investment in energy efficiency; renewables and carbon capture and storage technology while eliminating subsidies for fossil fuel industries.

**6. Ensure public investment in new jobs:** Federal climate change legislation must create a stimulus for job growth and increased productivity through mobilization and investment in climate-based solutions. Special attention should be given to establishing “green collar” jobs in low-income communities and communities vulnerable to economic impact from climate change.

**7. Adopt a renewable portfolio policy:** The United States should require that nationally 20 percent of electricity be generated from renewable energy sources by 2020, and 30 percent by 2030.

**8. Capture and store carbon emissions from coal-fired power:** The U.S. government should (i) limit the construction of new coal-fired power plants to those that capture and store carbon emissions, (ii) incentivize the installation of best available emissions control technologies on new and existing plants, and (iii) require carbon capture and storage capability in all existing plants by 2030.

## **IV. Support International Action**

**9. Assist developing countries in adapting to climate change and reducing carbon emissions:** The United States must provide substantial financing and other support to help developing countries prepare for and adapt to extreme weather, water scarcity, reduced crop yields, and other climate impacts that harm local communities and global supply chains alike. It should also support developing-country efforts to reduce their carbon emissions by pursuing clean energy cooperation and forest protection.