

Major firms open wallets for carbon-tax group

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Published: Thursday, December 19, 2019

This story was updated at 12:35 p.m. EST.

A group pushing a carbon tax plan among Republicans is getting new support from a handful of big companies.

Utilities Vistra Energy Corp. and Calpine Corp., automakers General Motors Co. and Ford Motor Co., and technology giant IBM are pledging contributions to Americans for Carbon Dividends, the advocacy arm of the Climate Leadership Council, the groups announced today.

Vistra and IBM are also joining CLC as "founding members," a position Calpine, GM and Ford already held.

Vistra is contributing \$1 million during the next two years. GM, Ford and IBM are putting in \$100,000 each and Calpine is contributing an undisclosed amount.

The organizations are pushing a "carbon dividend" plan backed by Republicans such as former White House chief of staff James Baker and former Secretary of State George Shultz, as well as big businesses like Royal Dutch Shell PLC, Exelon Corp. and Unilever.

The new support represents major steps for the organizations. Vistra is one of the highest-emitting electric utilities in the nation, although it has in recent months made commitments to cut its greenhouse gas emissions, including a 50% reduction by 2030, and is closing some of its coal-fired plants. IBM has for decades been a technology and manufacturing juggernaut.

"It demonstrates that there are companies in sectors across the economy who support not only a carbon dividend solution but are willing to put their muscle behind it," Greg Bertelsen, who serves as executive vice president for the groups, told E&E News.

"We believe an economy-wide carbon fee would be the most effective and equitable public policy solution to appropriately incentivize investments in carbon-free and carbon-reducing technologies — without disruption to our unparalleled economic system and associated prosperity," Vistra President Curt Morgan said in a statement.

"A nationwide carbon fee that is priced appropriately, market-based and consistently applied, like the proposal put forth by the CLC, would allow companies to make strategic choices based on a uniform set of rules and, importantly, would eliminate the need for mandates and subsidies."

Wayne Balta, IBM's vice president for environmental affairs, confirmed the company's new commitment.

"We believe a carbon tax and dividend is an important opportunity for policy makers to build the consensus that will be needed to drive meaningful action toward cutting worldwide carbon emissions," he said in a statement.

AFCD also announced that automakers General Motors Co. and Ford Motor Co. are each contributing \$100,000, and utility Calpine Corp. is putting in an undisclosed amount.

AFCD is using the new membership announcement to boast about its 2019 accomplishments, including raising more than \$5 million and launching its first advertising campaign. The group was launched in mid-2018, following CLC's launch the prior year.

"What's really notable is just how rapidly our coalition has grown in a short amount of time," Bertelsen said. "We've doubled in size in just a year, and we think that's only going to continue in the years to come. It's clear that there's momentum building among corporate leaders for this solution."

The groups have about 20 employees in total. In addition to the advertising, they've focused efforts on lobbying Congress and commissioning polling, among other efforts.

Former Rep. Ryan Costello (R-Pa.), a managing director at AFCD, is set to become its first registered in-house lobbyist next year after his required cooling-off period expires in January, one year after he left the House.

The carbon plan the groups advocate would charge emitters a fee starting at \$40 per ton, to be returned to taxpayers through checks. In exchange, certain greenhouse gas regulations would be rolled back.

This story also appears in Energywire.