

Corporate Political Responsibility Taskforce

Expert Dialogue with Tyler Duvelius

Tyler Duvelius - Module #1

Elizabeth Doty: [00:00:00] Hello and welcome to the Erb Institute's Corporate Political Responsibility Task Force Expert Dialogue Series. My name's Elizabeth Doty, I'm the Director of CPRT, the Task Force, and I'm delighted to be moderating today's conversation with Tyler Duvelius of the Conservative Energy Network. The Corporate Political Responsibility Task Force, or CPRT, is an initiative of the Erb Institute.

A 25 year long partnership between the Ross School of Business and the School for Environment and Sustainability at the University of Michigan. Led by Managing Director Terry Nelodov and Faculty Director Tom Lyon, the Erb Institute is known for its leadership in three areas. Teaching and Learning.

Business engagement with groups like the CPRT and scholarly and applied research. The CPRT's mission is to help companies better [00:01:00] align their approach to political influence with their commitments to purpose and values, sustainability and stakeholders. As we're seeing, corporate political responsibility is an increasingly pivotal element in managing stakeholder trust, addressing systemic issues, and rebuilding public trust in institutions.

I'm delighted, Tyler, to have you with us. Today. Thank you so much for making time. Just so you all know, I met Tyler in Dallas for EarthX last year when we spoke and we've stayed in touch through the In This Together America leadership circle, working on building broad based cross partisan understanding of the need for action on climate and clean energy.

Just a little background on Tyler. He's the Director of External Affairs for the Conservative Energy Network, which is a national network of state based organizations promoting clean energy innovation. He has worked tirelessly to educate, train, and organize conservative [00:02:00] grassroots groups on the need for clean energy issues and support, while being an active participant in clean energy policy discussions locally, at the state level, in Ohio, and federally.

And he has had extensive experience on the campaign trail, receiving the John R. Kasich Award for Outstanding Male Ohio Young Republican of the Year in 2015 and 2017, working in the Kasich administration on the boards and commissions department. So all of that stuff that makes such a difference that we don't hear about in the news and isn't glamorous.

But you really see how things are done and he's told me some stories and written up some some reports on how things can be distorted or lead to the common good. Welcome Tyler. Very glad to have you with us today. And thank you.

Tyler Duvelius: Great. Thanks for having me. Elizabeth. Excited for our conversation.

Elizabeth Doty: What do you mean by a conservative perspective on clean energy innovation? And then help us [00:03:00] understand what you mean by clean energy innovation? Just. You know, how does that overlap with those who think in terms of climate and climate change and greenhouse gas emissions

Tyler Duvelius: for us at the conservative energy network, the, the future of clean energy and clean energy innovation for that matter, really begins and ends with free market principles.

And so, as, as we look at how do we transition to a clean energy future, our mission. At C. E. N. is to forge a clean energy future rooted in conservative principles. And so, when we look at that for us, we want market forces to drive the technologies that are going to help us achieve that that future as opposed to.

You know, perhaps government subsidies or or having quotas for for certain tech were certain technologies. I think 1 of the things that is often overlooked as we think about that clean energy future is we don't account for increase in technology along the way. Right? We're not [00:04:00] we're setting a lot of goals for 2030 and 2040.

but my guess is, you know, take this 5 years out by 2027, the technology. We have then is going to be far superior, even to what we have now. What we have now is far superior than it was to 10 years ago. So when we think about a conservative approach, we're maybe not coming to the conversation talking about climate change, talking about carbon reduction, but instead we're talking about.

How those technologies, how those innovative technologies can bring about good paying jobs, can broaden local and state tax bases, which is a major concern can promote American energy independence and certainly enhance our national security and then also ensure that America continues to lead in these technologies without having to, to cede that ground to, to other countries around the world.

Elizabeth Doty: Okay, and all sounds very appealing. And then if we push on it, the question I [00:05:00] think that follows that is, why haven't we had this so far with a kind of a worldview of free market principles? Why have we not had the pace of innovation that we've needed so far? What? What's been missing because we're not on track quite yet to manage the clean energy transition or any of the goals you've discussed, nor the green ass gas reductions that we need to keep below 2 degrees.

Tyler Duvelius: Elizabeth, I know at the beginning here, you, you told me not to jump ahead to the midterm conversation and that warning just for the audience was more for me than anybody else. And so what what I'll do is I'll actually go back to 2008 and and go backwards. John McCain's first presidential ad involved wind energy.

A lot of people forget that. In 2008, which feels like both yesterday and a political lifetime ago. Several political lifetimes ago, maybe. Actually, just today on, on the House floor, Nancy Pelosi, as she was [00:06:00] announcing her her intention not to run for Speaker again. She talked about achieving historic, in her terms, clean energy policy with President George W.

Bush. And so this used to not be quite the partisan issue that it is today. And then my guess is somewhere in some consultancy office in D. C., a consultant, either on the right or the left, it could be either. Said, Hey, this is a great issue for us to drive a wedge between and certainly around 2009, 2010.

You start to see Republicans scorn the idea of of clean energy development at the same time when President Obama is touting, you know different clean energy technologies that were just really starting to become come to market. So I think what stopped our progress towards a lot of those goals really was.

It's us allowing ourselves to become divided across those those political lines and that's something that's taken, you [00:07:00] know, almost 15 years to really untangle some of

those knots but I do think are we getting there as quickly as as we want to. Maybe not, but I do think slowly but surely we're starting to come back to finding leaders from all sides are in agreement that something needs to be done.

And so I'm hoping that that's getting us closer to achieving our goals.

Elizabeth Doty: I remember being at a dialogue in 2002, 2001, where people were saying, Let's not, let's not focus on the past. Let's focus on the future and get started. And we thought we were starting to get some traction. And so this start stop is really a, really a showstopper, right?

Because companies can't invest. But let's go to where you've made progress with and building understanding commitment across partisan divides. What's working in building shared commitment to work on this? And what challenges have you faced?

Tyler Duvelius: I think what's working is when. [00:08:00] phrasing the energy argument as wanting to expand the pie of American energy instead of squabbling over what size the pieces of that pie is.

As we look at you know, our polling that we, we just released several weeks ago as voters were heading into the midterm elections, we found that voters want to see And this is by 70%, 80 percent majorities are wanting to see a greater emphasis placed on all forms of energy production. That includes wind, solar, hydrogen, nuclear, geothermal, yes, even natural gas.

So it's telling us that voters. Are wanting their policymakers to, to grow how much energy that we're making here in America. And then we can go into talking about how natural gas, it certainly isn't a long term solution, but we should be exporting more to help alleviate some of the burden that Countries in Africa and developing parts of the world are relying on [00:09:00] coal.

That's cheaper, at least in the short term, as we bring other other forms to market. And so you know, as we think about really growing that that's. Attractive to the American voter. It's attractive to American policymakers because at the end of the day, it comes back to investing in American jobs to investing in you know, in, in the trade market to investing in our local communities, I think.

Another part of that is we're starting to see energy production and energy development really become a tangible part of people's lives. People are starting to see wind turbines. They're starting to see solar farms. And they're, you know, they're, they're starting to really see hydrogen come to market in ways that are beneficial to, to their lives.

And it's not the scary theory that a lot of folks once thought it was.

Elizabeth Doty: Gotcha. How do we ensure, if we go to the all of the above approach, how do we ensure we don't over rely on those forms [00:10:00] that have externalities and costs that are not currently priced, which has been one way we've avoided really dealing with the side effects of a market that's distorted right now, I would argue.

So thoughts on that?

Tyler Duvelius: Sure. You know, a couple of years ago, 20. 18 2019 pre covid. I attended a conversation that was led by a professor from University of Texas. And you know, he talked about that when we started energy production just as a civilization, not even in this country. You know, we really started with heat and cutting down trees and we start looking around.

Well, We probably need to to stop this practice. And so then we move to coal and we start to see things like smog in our large cities, right? I'm like, well, this, this is no longer sustainable. And so we go to natural gas and now we have wind and solar and much cleaner forms of energy, even the natural gas.

So [00:11:00] over time, the free market It really kind of selects out older, more polluting forms of, of energy production and almost always selects cleaner forms of energy. So I, I think the free market can take a little bit of credit for moving us in, in that direction. It's important to remember that all forms of energy have some sort of externalities, right?

And, and one of the big things that my organization is looking at right now. Or how do we get the critical minerals that we need for clean energy technologies for battery storage in a way that's ethical in a way that's made in America that's not always the case as as other countries around the world are mining those critical minerals.

And so there are certainly. Externalities to be weighed across the board, but we all recognize that that clean renewable energy is going to move us in that direction. And when you look at studies like Lazard, who does a levelized [00:12:00] cost of energy, who takes away the subsidies, they they do not put a price on on carbon, but when they take away sort of subsidies, other factors and figure out what the actual cost of energy is.

Clean energy always wins out. And it's, it's not even close in a lot of cases. And so I think the free market will ensure that we have the proper, proper mix in our portfolio

Elizabeth Doty: as long as we were consistent about the subsidies. Let me turn it to the group. I imagine we have lots of comments here. Isha, can you pick 1 or 2 that seem to capture the the theme so far?

Tyler Duvelius: Absolutely. I think what's been really helpful is firstly understanding. The conservative perspective on clean energy innovation and specifically phrasing, uh, this argument to increase the pie so that, you know, there are more jobs, local communities benefit, and even trade markets go up. I do see Amy has a question.

Yeah, thank you. Thank you for this [00:13:00] discussion. Really really interested. I really loved your description, Tyler of, you know, what the conservative approach to clean energy is. I thought that was really succinct. And A way of framing it that I you know I haven't seen it sort of summarized in in one go there before so I think that was really useful, but it also strikes me that all the all the things you listed are the exact same arguments that my organization for example, World Resources Institute.

put out for why, you know, why we need to take action on on the climate. And it seems like the real difference is that there's just an addition on the left of talking about climate change, you know, talking about reducing carbon emissions, talking about equity Environmental equity, racial equity, et cetera, et cetera.

But at its core, it seems like there's a ton of agreement on, you know, the same sort of conservative principles. It doesn't seem to me that the left has an issue with them. In fact, they use them themselves. So I guess I'm just curious for your point of view on, you know, what [00:14:00] is the tension then with the left if a lot of the same arguments are being made?

What do you see as sort of the friction point and why there's, you know, why we continue even, even with the steps that we've taken forward, why does there continue to be so much strife on this? You know, one of the things that I, I self deprecatingly like to, to say is that

when we talk with our friends on, on the left about this issue we're able to, to talk about it as if we're at a Shakespearean seminar.

At the University of Michigan. By the way, I'm an Ohio State grad, so I don't, I don't say that lightly or kindly as I wore an Ohio State tie just for this occasion, but we're able to talk in far more meaningful terms than we can with some on the right. For our friends on the right, they're watching the movie of Hamlet.

In high school Brit, let's go, right? We're just we're kind of in two different ballparks where for, for conservatives, they [00:15:00] may be newer coming into this space, not quite ready to talk about climate. It's not what brings them to the table. I, I still think that it's important to have our friends on the left pushing that forward, right?

Because there are certainly. I mean, our polling found 71 percent of Americans believe climate change is an issue that must be considered as we make policy and 71 percent is a lot more than just one political party in this country. So we know that there is bipartisan support there, but when it comes to the rhetoric of some of the environmental justice, some of the climate and carbon reduction, it's It's just not where we're at yet.

But what I think you identified in your question, Amy, is the common ground that we can start at. And I hope Elizabeth, that we can continue to tug at that, that string in our conversation today. And I know that we will. Is finding that common ground where we can at least sit at the same table and then start getting to to try, you know, to try what else is, is out there.

We have everybody at the table, at least rowing in that direction. Now we're trying to take them to Britlet [00:16:00] 201, 301, and so on.

Elizabeth Doty: Thank you, Amy, and I was struck by how, when you and I were having our prep call last week, we went straight to the common ground as in substance, right? As opposed to the rhetoric and the sound bites.

Do you want to say a little bit more about that? Now? Sure.

Tyler Duvelius: I think it actually Elizabeth and even since we had talked. 39 Republicans, 26 in the House 13 in the Senate. I think that math, Ohio State math here, so you have to excuse me, I think that math adds up to 39, voted for the Infrastructure Investment and Jobs Act, right, which more, much more bipartisan in the Senate than in the House, certainly.

One member of the 39 Republicans lost re election this year. You look at the Growing Climate Solutions Act, which passed 92 to 8. In the Senate which helps create voluntary programs for our farmers to, to benefit in carbon reduction practices past Senate 92 to eight. Are Republicans signing up for the Green New [00:17:00] Deal?

Are they signing up for the IRA, to support the IRA? No, we see that, but we're at least starting to figure out what you know, what steps we can take. And actually just yesterday I was on a call that I see some familiar faces. Where the point was made, I think we're going to see in the next Congress.

even at our state houses where the conservative energy network does a lot of work where all of a sudden we're going to start seeing Republican legislative bills that are looking for Democratic co sponsors as opposed to the other way around. Now again, are those bills going to be everything that, that everyone working in this space is going to want?

No. It's not but what it does represent is we're putting forward a diversity of ideas that are actually being codified into law and we're moving it beyond just, you know, a Republican congressional delegation flying out to a cop event in Scotland or in Egypt and actually putting, putting those.

Those beliefs, those ethos into practice.

Elizabeth Doty: Very interesting. And again, [00:18:00] lots of threads to pick up. Let me ask if there's one more question on this round.

Tyler Duvelius: We can definitely go ahead with Jacob's question. He wants to understand the role of externalities and is the conservative approach that a free market would be enough in mitigating And adapting to climate change, and we don't need any additional pricing, Jacob, if you want, you can jump in and sort of share your comment and question with us.

Oh, yeah, I can jump in. So I think to the point about externalities that was brought up. I was a little confused whether, Tyler, you were suggesting that the conservative approach is that we don't need any additional pricing interventions like taxes or tradable permit schemes, and that simply removing subsidies would be enough to get the mitigation and adaptation that we need.

Sure. Thanks for your question, Jacob. As a conservative, I believe removing as many government barriers to entry. Is [00:19:00] going to help allow the best ideas come to market in a meaningful way. And I think that's certainly valid for ideological difference of opinion and conversation around that point. Although I do believe there are certain.

Times when, when we do need the government to step in and say, hey, capitalist market, you're doing things wrong. Like, oh, I don't know, child labor comes to mind or toxic materials running into our water system. You know, I do think, you know, when it comes to, to externalities that. Affect the public health that, you know, and for that, I'm, I'm thinking of, you know, are there, you know, toxic minerals that, you know, do come from the production of solar panels for example, and that's a C, you know, my family owns a farm in Southwest Ohio.

It's a real concern for those in the farming community. I get that. But also, you know, obviously, as we look at, at, Okay. Emissions that are being done by [00:20:00] coal plants there's probably a sensible way to ensure that we're not trampling on the introduction of new technologies to market while ensuring that we're having.

You know, kind of maintaining that free market principle, ensuring that we're allowing new technologies to flourish in a marketplace.

Elizabeth Doty: If you want to take this further, there are several ways to go forward. Reach out to us. I've got our email addresses in the lower right there. Either if you'd like to join as a company decision maker. Government affairs, sustainability, strategy, execution roles. Let us know and help us think this through and build the frameworks we're going to be building for the next year.

If you have a network that you'd like to join to amplify the message and elevate opportunities for action, let us know. And, or if you'd like to be a stakeholder advocate, expert affiliate, let us know and we'll keep you in the loop for focus groups or feedback and input. Coming up, we're kicking off year two [00:21:00] of the task force on December 16th.

C

P

R

T

It'll be an exciting time to move into how do the ERB principles apply to corporate political practices and or specific issues and or review the ERB principles and consider joining us as we launch in December or a second round in March. We have another expert dialogue next month. We'll be with the Interfaith Council on Corporate Responsibility.

Sorry, ICCR, I use it all the time. So, it'll be a shareholder perspective on businesses impact on stakeholders and the planet. We have an updated resource list and a newsletter that will be expanded and improved over the next months. If you want to follow up with Tyler, I highly encourage you to... Stay in touch.

This, these are really important avenues for collaboration and momentum. Conservative energy network. org Tyler. So appreciate the thoughtfulness and constructiveness of the way you're describing the reality and what might work. So thank you all. And we'll call that a wrap for today. Thanks

Tyler Duvelius:

This is great conversation. [00:22:00] Thanks, Terry. Appreciate it. Elizabeth. Thank you very much. Appreciate it.