

Dev Sanyal

Extension of partnership agreements with Harvard and Tufts

This note is to inform you and seek your feedback regarding the renewal of BP's Climate Policy partnership agreements with Harvard and Tufts which are set to expire on 31 December 2018. Both Harvard and Tufts have requested verbal indication of BP's intent to continue these agreements as soon as possible so that revised scopes and funding levels can be agreed upon and new contracts put in place by end of August 2018.

Context

Since the inception of BP's partnership agreements with Harvard and Tufts, these programs have helped BP explore the policy issues and business implications around climate science and technology. Together with the Princeton's Carbon Mitigation Initiative (CMI), our policy programs at Harvard and Tufts provide BP access to unparalleled expertise at the forefront of research in the areas of climate change science, technology and policy. They are a key resource to help BP engage and ask the right questions. It has also been an opportunity for us to provide a business perspective to help shape international policy thinking in low carbon energy discussions.

As BP takes a more forward leaning position on climate with our Advancing Low Carbon (ALC) approach and participation in industry initiatives such as OGCI and CLC among others, there has never been a more opportune time for BP to review these partnership agreements and to assess their value through the lens of the potential changes a low carbon approach will bring in business and technology.

Stakeholder input - Key takeaways

To help inform the renewal process, interviews were conducted in 2Q with key internal stakeholders including Spencer Dale, Dominic Emery, David Eyton, Paul Jefferiss, Katrina Mannion, Angela Strank and Cindy Yeilding. Interview questions fell into three principal areas including research focus, support of the ALC and BP America specific issues.

Some key takeaways of these interviews include:

- Most interviewees acknowledged the valuable policy work of Harvard and Tufts to help inform our work and thinking in the climate space. There is support for the more targeted focus on climate policy as opposed to broader geopolitical and energy questions. However the work on the economic dimensions of the energy transition work is not as strong with a few exceptions.
- Many expressed there should be greater business access to the research, through shorter papers or executive style briefings along with occasional webinars/videoconferences. One person brought up the idea of offering a 4-6-week executive program at either school.
- Some themes for future research include topics around carbon pricing, land use, CCUS and the Paris agreement NDC targets
- Some thought it would be good to consider cooperation with other US universities and specific academics such as Stanford, MIT, David Victor at UCSD or Columbia's Center for Global Energy Research.
- Some concerns were expressed about the inflexible leadership of the Harvard program. The partnership feels more like a commercial relationship as opposed to a genuine collaboration like we have with Princeton.

Separately calls were held with the principal investigators Kelly Sims Gallagher and Henry Lee to understand what future cooperation could look like. Both were supportive of the partnership with BP and expressed the desire for longer contract periods given the arduous contract renewal process as well as for the sake of continuity. Henry Lee also pointed out that the current funding BP provides will not be enough to cover all of BP's areas of interest. He also stressed that it is important for Harvard to work in areas that may not be of interest now to BP, but perhaps in the future.

Recommendation:

Internal stakeholder input as well as conversations with Kelly Gallagher and Henry Lee suggest people find value and are supportive of continuing the BP/Harvard/Tufts partnerships.

If BP decides to continue, the next steps would include agreement on the exact scope, timeframe and funding levels with both Harvard and Tufts so that the new agreements would be in place by end of August 2018. The scope would include greater detail on both the research topics as well as the frequency and type of interactions with BP.

One of the other key areas of consideration is funding. In 2016, due to the challenging economic environment, BP reduced funding for the Harvard and Tufts programs by around 40 percent with Harvard's grant decreasing from \$700K annually to \$400K and the Tufts from \$215 to \$200K. Does BP want to increase funding to these programs, and if so, by how much?

Your feedback is requested on whether you see value in continuing our partnerships with Harvard and Tufts. If so, further discussion will be needed on the appropriate scope and contract duration as well as funding levels.