A ROUNDTABLE FOR UNIVERSITY ENDOWMENT INVESTORS

December 7th and 8th, 2016

Agenda

Wednesday, December 7, 2016
Location: Stanford Energy System Innovations, 506 Oak Rd, Stanford, CA

2:30-3:00 pm  Arrival and Registration

3:00-3:30 pm  Welcome and Introductions
Alicia Seiger, Deputy Director, Stanford Steyer-Taylor Center for Energy Policy and Finance

3:30-4:00 pm  Setting the Stage: Climate Science for Investors
Noah Diffenbaugh, Professor Earth System Science, Affiliate, Stanford Precourt Institute for Energy

4:00-5:00 pm  Dan’s Favorite Triangle – Technology | Policy | Finance
Transitioning to a low-carbon economy will require massive deployment of existing and new technologies. The policy landscape will have a tremendous impact on how quickly and cost-effectively the US and the rest of the world can finance the transition. This conversation will explore the questions: 1) What is the relationship between energy technology, policy and finance? 2) What does an effective policy toolkit look like? And 3) what do endowment investors need to know about global climate finance?

David Danielson, Stanford Precourt Energy Scholar
Arun Majumdar, co-Director, Stanford Precourt Institute for Energy, Professor of Mechanical Engineering and Materials Science and Engineering
Dan Reicher, Executive Director, Stanford Steyer-Taylor Center for Energy Policy and Finance

5:00-6:00 pm  Tour of Stanford Energy System Innovations

6:30-8:00 pm  Cocktails, Networking, and Dinner

8:00-8:30 pm  Keynote
Rick Needham, former Director, Energy & Sustainability at Google in conversation with Dan Reicher, Executive Director, Stanford Steyer-Taylor Center for Energy Policy and Finance
8:00-8:30am  
**Arrival and Breakfast**

8:30-10:00am  
**Understanding and Addressing Climate Exposure in a Portfolio**
A prudent fiduciary must consider risks to investment portfolios from the physical impacts of climate change, the effects of climate policy, and sudden technological shifts in the transition to a low-carbon economy. Divestment and implementation of ESG principles are, in many respects, inappropriate tools for managing the risks associated with fossil fuels and climate change that run across sectors and geographies. This session will explore portfolio strategies to actively manage climate risks by 1) defining the extent and nature of the risk, 2) identifying the sources of exposure across a portfolio and 3) designing strategies to limit those risks.

*Donna Bebb*, Research Fellow, Stanford Steyer-Taylor Center for Energy Policy and Finance

*Kate Gordon*, Vice Chair of Climate and Sustainable Urbanization, Paulson Institute, Co-leader of “Risky Business Project”

10:00-10:30am  
**Coffee Break**

10:30-11:30am  
**Resource Revolution: How to Capture the Biggest Business Opportunity in a Century**
Global, unavoidable risk? Or opportunity of a lifetime? A Stanford Professor and former McKinsey Partner will discuss prospective disruptive changes and capital deployment potential.

*Stefan Heck*, Consulting Professor, Stanford Precourt Institute for Energy, Stanford University

11:30-12:15pm  
**Lunch Break**

12:15-1:30pm  
**Governance and Incentive Structures for Long-Term Portfolios**
What governance tools and tactics should endowments consider to successfully integrate climate change considerations into their investment strategy? How high on the priority list must the consideration of such risks be placed? What are the lessons to be learned from those who have taken the lead in stepping up to this challenge?

*Ashby Monk*, Executive Director, Stanford Global Projects Center, Senior Advisor to the Chief Investment Officer of the University of California

*Daniel Siciliano*, Faculty Director, Stanford Law School, Rock Center for Corporate Governance

1:30 – 2:00 pm  
**Wrap-up and Next Steps**
Speaker Presentations

Some of our speakers used slides to build a foundation for discussion. Below are links to those presentations.

Noah Diffenbaugh on The Climate-Energy-Equity Challenge – [slides].

Dan Reicher on US energy policy and finance – [slides].

Kate Gordon on From Risk to Return: Investing in a Clean Energy Economy – [slides].

Donna Bebb on Understanding and Addressing Climate Exposure in a Portfolio – [slides].

Stefan Heck on the Resource Revolution – [slides, video](from a previous roundtable in Feb 2015), and [book].

Recommended Readings

Below is a curated list of recommended readings to better prepare participants for the roundtable and to provide a useful reference guide following the discussion. This briefing book contains reprints of our prioritized selections along with references to additional materials.

*Climate Science for Investors*


*Energy Technology and Finance: Policy Implications*


*Climate Exposure*


*Investment Strategies*


*Thoughts on Governance*


Additional Readings


