

This time, Amazon placed the order—a big one

Electric-vehicle maker Rivian just booked an order for 100,000 delivery vans to be built at the former Mitsubishi plant in downstate Normal, part of a broader commitment by Amazon CEO Jeff Bezos to make his company greener.

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The pressure on Rivian to nail the engineering, manufacturing and quality of its electric vehicles just got amped up—way up—with the news Thursday morning that Amazon has placed an order for 100,000 delivery vehicles from the suburban Detroit company.

Rivian spokeswoman Amy Mast said the first Amazon delivery vehicles are expected to be on the road in 2021. She said work on developing a delivery vehicle based on Rivian's battery-electric powertrain and chassis has been underway for some time.

Rivian has not built or sold its first vehicle yet, but the Plymouth, Mich., startup is backed by at least \$1.5 billion in recent investments from Amazon, Ford Motor Co. and Cox Automotive. Rivian is retooling the former Mitsubishi plant in Normal, Ill., and expects to start production of the pickup and SUV next year.

Mast said Rivian's goal is to have 10,000 of the electric delivery vehicles on the road by 2022, which would prevent 4 million metric tons of carbon dioxide from entering the atmosphere each year.

The Rivian order is part of a broader Amazon CEO Jeff Bezos' broader aim, announced today, to create a new organization, the Climate Pledge, to meet the goals of the landmark Paris climate agreement 10 years early.

Acknowledging a steady drumbeat of criticism from activists and a vocal group of his own employees, Bezos said, "We have been in the middle of the pack on this issue. We want to move to the forefront. We want to be leaders."

In a joint press conference in Washington, D.C., with Christiana Figueres, formerly the United Nation's executive secretary for climate change, Bezos said Amazon will reach 80% renewable energy use by 2024 and 100% by 2030, up from 40% today. 2021.

Bezos recruited Figueres to co-found the Climate Pledge, which calls on companies to be net carbon neutral by 2040—a decade earlier than stipulated by the Paris Climate Accords. The pair said they would hold an annual conference for companies to share best practices for reducing their climate footprint. "Swallow the alarm clock," she said. "We are running out of time. Science tells us we have about a minute left to get the work done we need to get done."

Amazon also announced a \$100 million donation to the Nature Conservancy to fund the Right Now Climate Fund, which engages in reforestation projects to remove carbon from the atmosphere.

Bezos's pledge came a day before more than 1,000 Amazon employees are scheduled to walk out of their offices to draw attention to the company's inaction on climate change. The protest is part of a wider strike organized by 16-year-old climate activist Greta Thunberg ahead of next week's United Nations Climate Action Summit.

"The global strike tomorrow is totally understandable," Bezos said. "People are passionate about this issue. By the way, they should be passionate about this issue."

The group organizing the employee walkout, Amazon Employees for Climate Change, has been pressuring Amazon for almost a year to reduce its dependence on fossil fuels and detail how it's preparing to deal with business disruptions caused by climate change. A shareholder resolution calling for Bezos to unveil a comprehensive climate change proposal was rejected at Amazon's annual meeting in May.

In February, Amazon promised to disclose its carbon footprint by the end of the year and pledged that half its shipments would be carbon neutral by 2030, a so-called Zero Shipment project. Amazon has argued that an e-commerce model, with delivery vehicles making numerous stops in each neighborhood, is inherently more efficient than individual shoppers taking the odd trip to the store for items like a gallon of milk. Bezos added that free next-day shipping for Prime members, which the company recently rolled out, is more environmentally efficient because products can be warehoused locally, reducing travel times and bypassing the need to ship products via air.

Over the years, the company has also developed wind and solar farms to power its data centers, experimented with more environmentally friendly packaging and offered ways for customers to pick a single day to receive multiple orders placed during the week.

Amazon is relatively late among tech companies to share its environmental impact. Apple has released an environmental impact report with increasing levels of detail for the last decade. Google first published a comprehensive report on its energy use in 2011.

Bezos started the press conference by reviewing the accelerating state of climate change, which he called "dire." But he also said he was optimistic that society can invent a solution. "When invention gets involved, when people get determined, when passion comes out, when they make strong goals, you can invent your way out of any box. That's what we humans need to do right now."

Richard Truett writes for Crain's sister publication Automotive News. Bloomberg News contributed.



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Amazon CEO Jeff Bezos at today's press conference



Rivian