

Expert Dialogue

A Realistic Strategy for Climate Change



“To tackle a topic as monumental and divisive as climate change, it will take a politically realistic and technologically inclusive agenda built on advancing clean power around the world,” said **Darren Goode**, Communication Director for ClearPath, a nonprofit organization that develops and advances policies that accelerate clean energy innovation.

[OurEnergyPolicy](https://www.ourenergypolicy.org/a-realistic-strategy-for-climate-change)’s community of energy professionals weighed in on this topic in an online discussion. They provided various perspectives on policies and actions that could successfully address climate change and generate bipartisan agreement. This document features excerpts from that discussion. Follow hyperlinks to view full comments and expert profiles. Read the entire discussion at <https://www.ourenergypolicy.org/a-realistic-strategy-for-climate-change>.

What Realistic Clean Energy Policy Initiatives Should Be Prioritized?

Invest in R&D and technology development

“We need **technologies that scale faster, perform better, and are cheaper** than the alternatives so that the rapidly developing world chooses them instead of higher-emitting options. We should continue to **focus on demonstrating and commercializing U.S. clean energy technologies**, such as NET Power’s revolutionary Allam Cycle carbon capture technology, energy storage beyond lithium-ion batteries, and small modular nuclear and microreactor efforts from NuScale Power and others.” [Full Comment \(Discussion Prompt\)](#)
– [Darren Goode](#), Communications Director, ClearPath

See more comments on clean energy technology investment on pages 3–4.

Institute a price signal – carbon tax/fee

“A **low-carbon economy will not emerge without a price signal**. As long as dumping greenhouse gases into the atmosphere is free, it will continue unabated. **Once there is a real and durable price signal**, low and no carbon technology will be developed and deployed **at an actual pace more rapid than most optimists project is possible**. **Technology helps, but it is not the limiting factor** nor the motivating driver.” [Full Comment](#)
– [Alex Fassbender](#), CEO, EcoVia Corporation

See more comments on a carbon tax/fee on pages 3–4.

End oil/gas subsidies

“In his excellent book reviewing the entire 150 year history of the industry—*Oil, Power and War*—Matthew Auzanneau only has a policy recommendation at the end of the book and that is to **end all subsidies for oil/gas** that have been in place for 100 years, he does not even suggest taxing it. **I think you must do both.**” [Full Comment](#)
– [Jim Loving](#), Consultant, Independent

Realistic Clean Energy Policy Initiatives to Prioritize (cont.)

Focus on shared interests “Last Congress, we saw **bipartisan support** on issues such as a **key tax incentive for carbon capture, and a similar fix for advanced nuclear**. Legislators found common ground as they focused on both **climate benefits and economics**.” [Full Comment \(Discussion Prompt\)](#)
– [Darren Goode](#), *Communications Director, Clear Path*

Don’t shut down nuclear plants “The question of what is ‘economically sound’ arises when owners of nuclear power plants shut them because they can’t make money running them. **Every time a nuclear plant closes, we burn more fossil fuels, hastening the global warming impacts that will cost much more than running these plants**. We have to change this twisted view of the economics.” [Full Comment](#)
– [Mike Shatzkin](#), *Founder & CEO, The Idea Logical Company, Inc.*

Phase in bans on fossil fuel-powered vehicles and power plants “The premise of this post—that we can adequately address climate change by taking incremental steps to reduce greenhouse gas emissions—is false.... We need to be at net zero emissions by 2050 and negative 10+ GT/year after that. Fiddling with R&D grants and tax credits will not get us there. A **steadily rising fee on CO₂ and phased in bans on fossil-fuel powered vehicles and power plants** are the types of steps we need to be taking now. CO₂ lasts in the atmosphere for hundreds to thousands of years so time is of the essence.” [Full Comment](#)
– [Dan Miller](#), *Managing Director, The Roda Group*

Reform state electricity rate structures “By bringing states on board you can also get rid of the old monopoly regulation problem. Twenty states still have monopoly regulation that bases electricity rates on sales. **Decoupling sales and rates will allow policies like efficient buildings, onsite generation, and localized microgrids, all policies that lower demand, to get built**. A new digitized, flexible, interactive and more reliable grid, capable of handling distributed generation in the most efficient and demand serving way, will not get developed without **decoupling sales and rates**. Central generation must be combined with distributed generation in the future.” [Full Comment](#)
– [Jane Twitmyer](#), *Principal, CACW/Watts*

Include policy for climate adaptation “We also **should be developing approaches and technology for adaptation** since it is unrealistic, in my opinion, to expect a reduction in atmospheric concentrations of CO₂ anytime soon. Too many advance proposals for emission reductions that are either unrealistic or not cost-effective.” [Full Comment](#)
– [Bill O’Keefe](#), *President and Founder, Solutions Consulting*

R&D vs. Carbon Tax

OurEnergyPolicy experts discussed whether a primary focus should be a carbon tax or continued research and development of clean energy technologies.

R&D & tech development are effective & bipartisan

"Small, incremental policy changes can result in large outcomes such as the shale gas revolution and cheap solar power. Similarly, Congress and the Administration can work to deliver a series of incremental bipartisan clean energy and climate policies in the next two years, including **smart federal R&D moonshot goals** across the clean energy portfolio." [Full Comment](#)
(Discussion Prompt) – [Darren Goode](#), Communications Director, ClearPath

Carbon tax needed for fast-enough change

"There must be a price on carbon to force the market away from the 150 year dominant oil/gas (and coal) industry.... There have to be proper incentives to develop the new and tax the old and bad, **without it, the move to replacement energy will not come fast enough** if the economy is to be maintained at its current pace. **Only governments can make this happen and to have an effect globally,** it will need to be done cooperatively and jointly by the leading economic powers." [Full Comment](#)
– [Jim Loving](#), Consultant, Independent

Carbon tax may not be effective; majority of emissions are inelastic to a carbon tax

"I agree that **some type of price signal is needed** but we also must be cognizant of **how the signal is designed and when that comes into play.** Respectfully, there are several reasons why ClearPath **focuses on advancing technologies first and making clean energy cheaper, rather than working on carbon taxes.** While carbon taxes may be considered the 'default' climate policy, they haven't yet proven to be effective tools for deep decarbonization. They are politically toxic. The **majority of emissions in the economy are entirely inelastic to a carbon tax because cost-effective technology solutions don't exist, and most energy-related demand is also inelastic....** If we make clean power cheap enough, we won't need to have a rapidly escalating carbon tax at all." [Full Comment](#)
– [Darren Goode](#), Communications Director, ClearPath

Studies show carbon tax will be effective; demand elastic in the long term

"While energy-related demand may be inelastic in the short run, it is not in the long run. A study by REMI [Regional Economic Models Inc.] about [Carbon] Fee & Dividend shows it will reduce CO₂ emissions by more than 50% in 20 years (and create 2.8 million jobs and grow GDP by \$1.4 trillion in the same timeframe)." [Full Comment](#)
– [Dan Miller](#), Managing Director, The Roda Group

Only R&D is tech neutral

"The only way to compensate for the personal biases we each bring to which low carbon technologies are going to decarbonize the economy is to **invest at the front end—R&D** and the flat segment of the S curve—**for those with the greatest untested potential and acceptable downsides."** [Full Comment](#) – [Carl Pope](#), Former Executive Director, Sierra Club

R&D vs. Carbon Tax (*cont.*)

Carbon tax is tech neutral

“R&D is not the only way to compensate for personal biases. **A carbon fee makes fossil fuel energy pay for (some of) its external costs** and makes clean energy solutions more competitive. **The market can then decide which solutions are most cost-effective** (just like it is doing today with solar PV [photovoltaic] + storage vs. solar thermal). [Full Comment](#)
– [Dan Miller](#), *Managing Director, The Roda Group*

Carbon tax is pro-clean energy but tech neutral

“Small nukes, better carbon capture, better storage options should all be in the mix. A **policy that is tech-neutral** is the way to go. Lack of tech-neutrality is a valid criticism of some versions of Green New Deal.” [Full Comment](#) “How would you design a **tech-neutral tax credit** that would produce a stronger and more **tech-neutral signal** than a **carbon tax**? ... a **carbon tax is the default decarbonization strategy**, and you can’t effectively promote an alternative unless you explain how it is better” [Full Comment](#)
– [Ed Dolan](#), *Senior Fellow, Niskanen Center*

Pursue many policies

“Darren’s point...is well taken. So are other commenters’ points.... Absolutely correct. **The question is where that leaves us.** We spent 20 years in the U.S. waiting for national policy based on a cap and trade mechanism of some kind. It never happened. Now we’re waiting for a carbon pricing/taxation mechanism of some kind. **Do we wait 20 more years for that to happen?** Hopefully not.... **We need to be pursuing lots of different initiatives**, including initiatives intended to lay the ground for carbon pricing, and initiatives intended to demonstrate relevant technologies. But many more as well. 25 years ago when people suggested that we needed to think about educating the American public about climate change in a way that would make a difference to what’s politically feasible, the response was ‘we don’t have the time for that. It’s an emergency, and we need to act!’ We’re hearing the same thing today.... **There are many pieces on the Climate Chess board—we need to stop looking for ‘the one’ that makes the difference and start playing the game as if our lives depended on it.**” [Full Comment](#)
– [Mark Trexler](#), *Director, The Climatographers*

Quotes in this document are excerpts from comments posted Jan. 28–Feb. 4, 2019 in the online discussion, “[A Realistic Strategy for Climate Change](#).” Access this document at <http://bit.ly/38MmIE7>.



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