

Principles for National Climate Action

U.S. Representative Paul Tonko (D-NY-20) hosted a discussion on OurEnergyPolicy (OEP) to gather input on his nine-point climate action framework, which he released in March at the Climate Leadership Conference.



These nine principles, available below and in greater detail at Tonko.house.gov/climate, form a bipartisan framework distilled from conversations with other members of Congress and stakeholders. Rep. Tonko says any comprehensive climate proposal should be measured using this framework.

A Framework for Climate Action in the U.S. Congress

- 1. Set scientific targets for greenhouse gas neutrality by mid-century.
- 2. A clean U.S. economy must be strong, competitive, and fair.
- 3. Invest in America's sustainable economic future.
- 4. Deliver a just and equitable transition.
- 5. Protect low-income households.
- 6. Build stronger community resilience to new climate realities.
- 7. Empower state, local, tribal, and territorial governments.
- 8. Avoid harm to first movers.
- 9. Create stable and predictable policies.

OEP's broad, non-partisan community of energy professionals responded to questions from Rep. Tonko's office. Participants discussed whether the principles in Rep. Tonko's framework are the right ones to consider as components of major climate legislation and what else should be included.

This document features detailed excerpts from the discussion. Hyperlinks lead you to full comments and commenter bios. Bolding is added for emphasis. See a few brief takeaways below, and read the entire discussion at https://www.ourenergypolicy.org/principles-for-national-climate-action.

Summarized Responses to Rep. Tonko Questions

Rep. Tonko should add the following to his framework -

• Ensure global involvement, modernize infrastructure powered by on-site renewables and energy storage, promote electrification.

The greatest potential for consensus among stakeholders could be -

• Efficient buildings, cheap renewables, electrification, infrastructure, renewables, energy storage.

The greatest barrier to climate policy development might be -

 Managing the transition, agreement on climate science, understanding of future energy systems.



1. Is a Set of Consensus Principles Necessary to Guide Energy Policy?

"Congressman Tonko, I support the idea of having principles like you lay out to create an effective direction for the United States to address the climate change crisis." Full Comment

- Henry M. Goldberg, Consultant, Independent

Consensus principles are useful/relevant

"Congressman Tonko, I believe you are on point for climate action. This is because, impacts of climate change are already evident in many regions and sectors, and are expected to become increasingly unsettling across the country throughout this century and beyond. In the Northeast, for instance, communities are affected by heat waves, more extreme precipitation events, and coastal flooding due to sea level rise and storm surge...." Full Comment

- Kenneth Zame, Ph.D., Researcher, Energy & Environmental Sustainability

"A shout out to Rep. Tonko for practical solutions that are right on the mark." Full Comment

– <u>Scott Sklar</u>, President, The Stella Group, LTD

"The principles are a useful and innovative contribution to this discussion." Full Comment

- Carl Pope, Former Executive Director, Sierra Club

Principles critical, but must follow with action

"Setting out a set of principles for addressing the biggest threat to our nation is critical. But we must also take definitive action to put the proper economic incentives in place immediately." Full Comment

- Dan Miller, Managing Director, The Roda Group

2. Are These the Right Principles to Advance Sound Climate Policies?

#1 - Set scientific targets for greenhouse gas neutrality by mid-century.

Adjust the target from net zero by 2050 to 80% reduction by 2050 "Rather than net zero by 2050, it might be more realistic to aim for 80 percent reduction of net emissions. Emissions reductions, like many economic and engineering processes, [are] likely to follow an 80/20 pattern, wherein the first 80 percent of the cleanup absorbs half the cost while the remaining 20 percent costs as much again as the first 80. Reaching for too much might get us net nothing." Full Comment

- <u>Ed Dolan</u>, Senior Fellow, Niskanen Center

Net zero 2050 goal is feasible

"Cutting U.S. emissions to net zero by 2050 is, in reality, cutting emissions by 80%, because U.S. forests and lands sequester about 1 billion tons of CO_2 every year, which is credited as an offset to fossil fuel emissions. So **using** the 80/20 rule, a net zero 2050 goal is utterly rational and likely to be cost effective." Full Comment

- Carl Pope, Former Executive Director, Sierra Club



(cont.) #1 - Set scientific targets for greenhouse gas neutrality by mid-century.

Targets involve value judgments, & too restrictive targets may assure failure of the policies "There are no credible 'Science-Based Targets for Greenhouse Gas Neutrality by Mid-Century.' One can test the strength of a material or the effectiveness of a vaccine. Targets involve value judgements where one is weighing the risks of climate change versus reducing global standards of living today versus chances of success. A too restrictive target may assure failure because the near-term decreases in the standard of living create a political backlash.... Dressing up political decisions in lab coats will not work." Full Comment

- <u>Charles Forsberg</u>, Executive Director, MIT Nuclear Fuel Cycle Project, MIT Department of Nuclear Science and Engineering

Enact policies to set enforceable targets with a National Climate Change Drawdown Roadmap

"Enacting policies that set certain and enforceable targets to put the U.S toward achieving net zero emissions would require a National Climate Change Drawdown Roadmap (NCCDR). Such a roadmap should be a longterm strategic plan and should present, among other things, evidence of [greenhouse gas] GHG emission mitigation potentials of already existing climate drawdown solutions that are implementable at scale. Such a roadmap would be useful for engaging policymakers with evidence-based climate change mitigation 'no regrets' solutions—actions that make sense to take, even regardless of their climate impact, since they have intrinsic benefits to communities and economies. Such a roadmap should present a pragmatic approach that combines scientific evidence based on scalable climate change solutions and the climate change governance principles proposed in the Framework for Climate Action....This would serve as a convincing and persuading evidence that would help policymaking at all levels to engage in long-term, evidence-based strategies and practices to achieving climate change goals." Full Comment - Kenneth Zame, Ph.D., Researcher, Energy & Environmental Sustainability

#2 – A clean U.S. economy must be strong, competitive, and fair.

Decarbonized economy should have fair wages but not higher standards than other industries "If 'fair wages and safe working conditions' [#2] mean adherence to wage and working standards applicable to the rest of the U.S. labor force, then this is all to the good. However, this project should not be asked to serve as the 'tip of the spear' of an effort to raise wages and tighten working conditions by requiring decarbonization jobs to meet higher standards than those that prevail elsewhere. Is climate a priority, or it is not? In my view it is. With regard to trade, the goal of global decarbonization would be advanced by a border equalization tax on countries that do not do their share. However, decarbonization should not become a pretense to pursue a broader program of protectionism." Full Comment

- Ed Dolan, Senior Fellow, Niskanen Center



(cont.) #2 – A clean U.S. economy must be strong, competitive, and fair.

Need insurance programs to protect workers

"Clean energy will be cheaper because of lower operating and fuel costs; but its capital premium will be higher, and its tenures longer, which means investors will be at greater risk. We need insurance programs not only for communities which enabled old technologies, or workers being left behind because their industry is going away, but also for those pension funds that slide into the early phases of the transition. Those at risk include investors who go clean, not as high return seekers but as good citizens, and then find that the solid utility into which they invested has decided to abandon yesterday's wind power, as not quite cheap enough, in pursuit of tomorrow's even lower-cost options." Full Comment – Carl Pope, Former Executive Director, Sierra Club

Decarbonization is inherently disruptive; we need to be honest about this and minimize costs to minimize unfairness

"There are two challenges to decarbonize the economy. First, it may double energy costs resulting in a 10% reduction in the standard of living. The political class has no clue about how disruptive such a change is.... Second, the last four administrations (Republican and Democratic) adopted policies that drove down the incomes for those without a college education (60% of the country) for the benefit of the top 20%.... It has sent a powerful message that whatever the elites propose will drive down the incomes of the majority of Americans. This is not unique to the U.S. The Yellow Jacket rebellion in France and similar movements across Europe have ended the possibility of fast decarbonization in Europe...." Full Comment "This reality leads to two principles for decarbonization: The first principle is to minimize costs because that will minimize disruption, minimize unfairness and maximize chances of success.... That implies trying many technologies at scale to find out in the real world what are the low-cost options. The second principle is to **get honest about the cost and level of disruption to stop climate change.** We are going to have the political debate [of] whether it's cheaper to adjust to climate change, slow climate change, try to stop climate change, or use geoengineering to minimize consequences. If we do not have that debate now, progress will stall as the costs and disruptions can no longer be hidden." Full Comment - Charles Forsberg, Executive Director, MIT Nuclear Fuel Cycle Project

Decarbonization is an economic winner

"Fortunately, the key disruption—decarbonizing electricity—is already an economic winner. Converting to electrified transport and pollution free buildings, if we pursue them aggressively, will shortly start yielding lower energy costs and a more prosperous economy. Manufacturing has a ways to go for its needed 2050 transformation to be clear. But the overall pathway is largely clear and overwhelmingly profitable." Full Comment – Carl Pope, Former Executive Director, Sierra Club



#3 – Invest in America's sustainable economic future.

Invest in clean energy but don't pick winners or losers "Yes, [climate action should invest in America's future,] but such investment should be guided by economic principles. A broad investment incentive such as a carbon tax would be preferable to targeted subsidies that require picking winners, that are vulnerable to lobbying by special interests, and that risk locking in technology mistakes, such as mandates for use of ethanol as a motor fuel." Full Comment

- Ed Dolan, Senior Fellow, Niskanen Center

#4 – Deliver a just and equitable transition. | #5 – Protect low-income households.

Need a broad safety net for those left behind

"While I think the Just Transition is critical, it is strongly attached to particular at-risk communities. We should start with [this], but in reality, we need a much broader social safety net for families and communities left behind by the success—rapid innovation—of the broader society. No one should have their life devastated because someone else has a really terrific idea; we should all rise on each other's success and share in the fruits of a high-yield, low-cost, safe, and clean energy economy." Full Comment—Carl Pope, Former Executive Director, Sierra Club

Efforts to help the poor should not impede implementing the most efficient decarbonization efforts "Efforts to strengthen the nation's social safety net and improve air quality are worth goals in themselves. However, the efficiency of decarbonization itself should be the guiding principle for investments. It would be a mistake to increase investment costs or slow the pace of decarbonization in order to benefit favored constituencies.... This goal [of protecting low-income households] could be accomplished by implementing a carbon tax as a centerpiece of the decarbonization program and diverting an appropriate fraction of the revenue to compensating low-income groups. ...'It will hurt the poor' should not trump 'It will help the environment." Full Comment and Niskanen Center Piece

– Ed Dolan, Senior Fellow, Niskanen Center

Carbon fee and dividend policy would protect low-income households "A study of this "Fee and Dividend" policy...by REMI shows it will, over 20 years, create 2.8 million jobs, grow GDP by \$1.4 trillion, and cut emissions by over 50%. Because poor and middle-class people generate far less CO_2 than wealthy people and governments generate about 30% of CO_2 but don't get a dividend, it turns out that most poor and middle-class people will earn more from the dividend than they pay in higher prices. **In other words, the policy in** *anti-regressive* **so it addresses item #5**.... Placing a steadily rising price on CO_2 will create a revolution that will drive investment, development, and deployment of clean energy technologies at a massive scale..." Full Comment

- Dan Miller, Managing Director, The Roda Group



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#6 – Build stronger comi	niinitu resilience to n	10W climate realities
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Emphasize
mitigation &
adaptation

"This is an important point [principle]. **Any climate policy must emphasize the complementarity of mitigation and adaptation.**" Full Comment

- Ed Dolan, Senior Fellow, Niskanen Center

Utilities should start now on climate adaptation

"Climate change is cumulative, so the longer we wait to create change, the worse the consequences will be. Businesses are evidently understanding this better than government, but it is the utilities that must make the most disruptive changes....We have the tools to mitigate future impacts right now and we can and must do so, even if our economic system is very bad at handling major industry disruptions." Full Comment

- <u>Jane Twitmyer</u>, Principal, CACW/Watts

#7 – Empower state, local, tribal, and territorial governments.

Involve the community but keep things moving forward

"Yes, of course, everyone has to pitch in. **But make sure 'empowerment' does not mean granting every local community a right to veto** a wind turbine or power line. If climate is to be a priority effort, we must prioritize." Full Comment

- Ed Dolan, Senior Fellow, Niskanen Center

#9 - Create stable and predictable policies.

"The most important item is #9 – Create stable and predictable policies.

Right now we have a policy that says you can pollute the atmosphere with greenhouse gases for free. You're not allowed to throw your garbage in the street, but you are allowed to dump your waste gases in the atmosphere. **We need to put the proper incentives in place!**" Full Comment

- Dan Miller, Managing Director, The Roda Group

Need proper incentives in place, consider carbon tax "Federal climate action must create **steady, credible, and politically durable policies**, send **strong investment signals**, and deliver long-term certainty....' **Does anyone doubt that a carbon tax is hands-down the best way to do this?** If so, why not just say so?" Full Comment

- Ed Dolan, Senior Fellow, Niskanen Center

"I agree completely that carbon-fee-and-dividend (taxing fossil fuels for the CO₂ they will emit when burned and then returning *all* the money in equal shares to everybody) is the right answer.... When 70 percent of the people are **getting more money from this fee than it costs them**, there will be no resistance—there will be *enthusiasm*—for raising the fee at any time. So the only 'predictability' will be that the fee will continue to go up for quite some time in regular increases as we become increasingly aware of the 'costs' of CO₂...." Full Comment

- Mike Shatzkin, Founder & CEO, The Idea Logical Company



3. Are There Areas Overlooked By This Framework? What Factors Are Most Important to Address as Part of Major Climate Legislation?

Ensure global involvement

"[This] list is missing the most critical principle of all to halt global warming. That is, every country in the world must properly address the issue over the long term, otherwise whatever the United States does will not solve the problem.... I argue that the Paris climate agreement must be evolved so that every country is required to develop a rigorous strategic plan to reduce its net greenhouse gas emissions towards zero by midcentury. This requires that each country develop sub-strategic plans in each sector of the economy (electric power, transportation, residential, commercial, industrial, agriculture, telecommunications) to accomplish this. The progress of all countries in developing and executing these strategic plans must be monitored by the United Nations.... If the U.S. congressional supporters of climate change action are serious about truly solving this crisis, they must acknowledge this scope of the problem and the only way to effectively address it." Full Comment

- Henry M. Goldberg, Consultant, Independent

Modernize infrastructure powered by onsite renewables & energy storage "Congressman Tonko is on point for climate action, but I wanted to add some texture to his suggestions. First, we need to proactively and speedily power our critical infrastructure (cellular towers, pipeline pumps – water, sewage, fuels), data centers, water & sewage treatment plants, intersection and railway signal lights, first responders—police, fire, ambulance—buildings, hospitals and emergency care centers, gasoline station island pumps, [and] ATM machines—incorporating high-value efficiency, the entire portfolio of on-site renewable energy, and energy storage. This will reduce energy generation, provide higher reliability and resiliency, and reduce Clean Air Act and greenhouse gas emissions.... Second, the housing sector is a huge energy user.... Transportation fuel also saps consumer income...." Full Comment

- Scott Sklar, President, The Stella Group, LTD

Promote electrification and zero-carbon power, also need zero-emission buildings and low-carbon manufacturing "The electrification concept, combined with zero carbon power supplies, deserves its own space in my view. It's key to everything—and just as we are phasing out the incandescent light bulb, other forms of fossil fuel combustion technology like the internal combustion vehicle, the fossil-fired furnace, and the use of coal and natural gas as industrial energy sources needs to give way to electrons." Full Comment "Modernizing America's energy economy for a climate constrained world requires four major transformations: 100% zero-carbon electricity, largely electrified transportation, zero-emission buildings, and low-waste, low-carbon manufacturing. Only that set of transformations can get America's energy climate emissions down below the scientifically validated 1 billion tons of carbon level which careful ecological management of lands and forests can compensate for." Full Comment

- Carl Pope, Former Executive Director, Sierra Club



4. Which Do You Think Will Be the Most Important for Building Consensus Among Stakeholders?

Efficient buildings, cheap renewables, electrification "...that **efficient buildings** are the best bang for the buck, that **onshore wind and large scale solar** are already the cheapest resources, soon to be followed by storage, and, given a chance to develop, offshore wind [which has enormous potential].... Build the consensus that **electrification** is the way to go. Transportation will be the most productive for GHG reductions..." Full Comment

— **lane Twitmver**, Principal, CACW/Watts

Infrastructure, renewables, energy storage "Critical infrastructure powered by on-site renewables and energy storage should stand alone as its own provision and would gather the most bipartisan support. For buildings, tapping into existing programs for resiliency, and reducing energy and water should be a priority for block grants and state & local government programs out of DHS [U.S. Department of Homeland Security], DOE [U.S. Department of Energy], EPA [U.S. Environmental Protection Agency], and HUD [U.S. Department of Housing and Urban Development]—so as to leverage activity quickly...." Full Comment – Scott Sklar, President, The Stella Group, LTD

5. What Areas May Pose the Greatest Barrier to Climate Policy Development? Where Would You Expect Policymakers to Stumble?

Managing the transition

"The pace and capital intensivity of the 21s century energy revolution call into question the fundamentals of conventional economic analysis.... It will disrupt the existing fossil fuel supply chain, and the companies, communities and workers who depend on it. Managing that transition and the stranded assets it will throw up is the single largest challenge and the largest risk of failure to this project.... It is these fundamental disruptions of the way we think about the world that are most likely to impede and choke the new energy economy..." Full Comment

- Carl Pope, Former Executive Director, Sierra Club

Agreement on climate science

"The biggest hurdle is to dispel the almost 30 years of doubt cast on the science of climate change by the fossil industries. Living in Virginia, I have found the best way forward is to highlight the problems with our air and water, as well as rising seas, which [are] visible in coastal Virginia. I found it best not to focus on the statistical possibilities of the long-term future, but on the better future clean energy can provide." Full Comment – Jane Twitmver, Principal, CACW/Watts



Understanding of future energy systems

"[Policymakers may stumble] in not understanding the real nature of a future energy structure that will be very different. We need the interconnected grid, but the future is not in central generation. It is in minigrids within microgrids and in things like community solar. It is in onsite solar and a more efficient use of energy. Old laws like the 1938 Natural Gas Act allowing eminent domain use for pipelines, and rules at agencies like FERC [Federal Energy Regulatory Commission], [which] assigns a 14% profit to pipeline builders, need changing. A new future won't get built until those old rules are redrawn to describe that different future." Full Comment

- <u>Jane Twitmyer</u>, Principal, CACW/Watts

The quotes in this document are excerpts from comments posted April 15–May 7, 2019, by registered members of OurEnergyPolicy's energy professionals community in the online discussion, "Principles for National Climate Action." The discussion was hosted for Representative Paul Tonko (D-NY-20), who is Chair of the Subcommittee on Environment and Climate Change in the U.S. House Committee on Energy and Commerce and Co-Chair of the Sustainable Energy and Environment Coalition.

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