

CASE STUDY *Published September 24, 2014 · Updated September 24, 2014 · 4
minute read*

Climate Change

Third Way

In the last five years, America's energy landscape has been flipped on its head. Thanks to hydraulic fracturing, the United States was transformed from a net importer of oil and (it was expected) natural gas, to the largest producer of oil in the world and home to massive, inexpensive natural gas deposits. Coal, which most assumed would remain king of the electricity sector, saw its market share erode due to the new glut of cheap natural gas and new EPA rules. Nuclear energy went from renaissance to retrenchment, thanks to natural gas and policy stasis. Renewables, thought to be decades away from competitiveness, became mainstream.

Despite these dramatic changes, the energy policy debate is more polarized than ever. In Congress, a greenhouse gas emissions bill known as "cap-and-trade" got very close to passage before becoming a complete dead letter. Many on the right have doubled-down on their denial of the scientific fact and enormous danger of climate change; many on the left continue to oppose all fossil fuel production, clinging to a fantasy that we can switch rapidly and completely to renewable sources of energy.

The only way through the morass is to take a new policy path based on scientific and market realities, not the ideological pipe dreams of either the right or left. In 2013, we set out to identify the many actions the federal government could take to reduce carbon emissions short of a massive, economy-wide control system. From this work we launched the PowerBook, a toolbox for policymakers in Congress and the Administration to build their own climate agendas. It offers more than 100 proposed policy changes, and for each, we provide the emissions, energy, and budget impact so that policymakers know exactly what they would achieve. Taken together, they would cut emissions by as much as the cap-and-trade bill would have done. In just the first year, more than half our proposals were introduced as legislation or executive actions, and two were signed into law.

After the launch of the PowerBook, it became clear that a subset of policies stood out as the most politically viable and substantively critical to achieving major emissions reductions while keeping electricity prices stable:

Fossil Fuels: We have pulled together a bipartisan group of Senators that are working together to create a path forward for technologies and infrastructure that will make fossil fuels cleaner and give these communities a future. And we are committed to doing it in a way that does not create additional strain on the federal budget.

Nuclear Energy: The single largest source of zero-emission electricity in the US is struggling to compete against cheap natural gas and confused national policy. We are building the climate-case for maintaining and ultimately expanding the use of nuclear energy. We're also working with a coalition of innovators, financiers, and subject-matter

experts to change the status quo in Washington and help to ensure that America wins the global competition for advanced nuclear reactors.

Freight: We found two important areas where federal action could get freight off our roads and onto rails and waterways. By reforming existing rules, we can transport far more tons of freight per gallon of fuel and transition away from dirty petroleum-based fuels and to cleaner sources like natural gas.

Ideologues on both sides are threatened by the idea of depoliticizing climate change and making fossil fuels and nuclear power part of the solution rather than the problem. But given the enormity of the climate crisis and the opportunities an “All of the Above for Climate” strategy presents, we are committed to making this a reality.
