



### **Project Description, *CCS Security and Investment Project***

Our new *CCS Security and Investment Project* provides a comprehensive leadership strategy for the emerging energy economy in the US.

It details how past progress has been made by cities, states, and national agencies to meet important climate, energy, and economic goals. And it points to specific new actions that can do more in these areas while accelerating investment and jobs in each of our economic sectors across the US.

The project addresses three important questions:

- How much action has the US taken on reducing carbon dioxide emissions and how has this been accomplished?
- How can the US take new action that will close emissions gaps and improve economic and energy security at the same time?
- How can these new actions generate needed investment?

The answer to all three questions can be found in research conducted by CCS over the past year and documented in our International Energy Workshop Paper of June 12, 2012, "*Developing and Assessing Economic, Energy, and Climate Security and Investment Options for the US.*"

As a first step, our new study includes an examination of annual changes in carbon dioxide emissions projections from 2005-2011 in the Annual Energy Outlook of the US Energy Information Administration, and an analysis of why they have dropped so significantly (23 percent overall since 2005, 69 percent compared to national climate goals).

Our baseline decomposition analysis documents eight specific categories of policy action responsible for most of the decline in carbon dioxide trajectories, as well as the additional effects of smaller scale actions and energy prices, and the lesser role of changes in the economy. In the process, the study documents clear and progressive decoupling of emissions reductions from economic growth and reduced energy intensity in the US.

The study also confirms that the policy actions primarily responsible for reducing emissions in the US were typically undertaken for multiple reasons, including but not limited to pollution reduction (other objectives include energy, economy, and health). These actions were undertaken at the local, state, and federal levels across all economic sectors.

As a second step, this study showcases 20 new actions that improve *climate security* (close US carbon dioxide emissions gaps), and measurably advance *economic security* (jobs, income, and growth) and *energy security* (energy savings, diversification, reduction of oil imports, etc.) at the same time. Like past actions, these would involve all economic sectors and actions at local, state, and federal levels through existing or targeted new authority.

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The new actions are based on review and updating of stakeholder recommendations from 20 state climate action plans, plus new national economic and energy security considerations. CCS conducted screening, selection, design, and analysis of a wide range of national and sub national level policy options.

As a third step, the study includes a roadmap for public and private investment to support each of the 20 new actions that suggests important next steps for the public and private sector to take together to generate positive investment flow and jobs. CCS provided financing options based on work underway in these areas, plus innovations.

The *CCS Security and Investment Project* is the second generation of our 2010 study, [\*Impacts of Comprehensive Climate and Energy Policy Options on the US Economy\*](#), co-published with Johns Hopkins University Center for Advanced Governmental Studies. This original study addressed a simple but important question: What can we learn from the many comprehensive planning efforts by US states about national approaches to climate change policy?

The 2010 study found that 23 key stakeholder recommended actions were responsible for over 90 percent of all emissions reductions opportunities in the US based on state climate plans, and would improve the economy overall if implemented at a national scale. The study did not evaluate energy security impacts, and it found that some actions had potentially negative macroeconomic effects.

The 2012 study updates and expands this past work to address not only greenhouse gas emissions needs, but also national economic and energy security. The 20 new actions are selected and designed to improve each of these areas at the same time. It shows that it is possible to do so through a combination of carefully selected and designed actions in each economic sector, each level of government (local, state, and federal), using a variety of policy instruments. It shows also that these actions can potentially generate both public and private investment when properly designed.