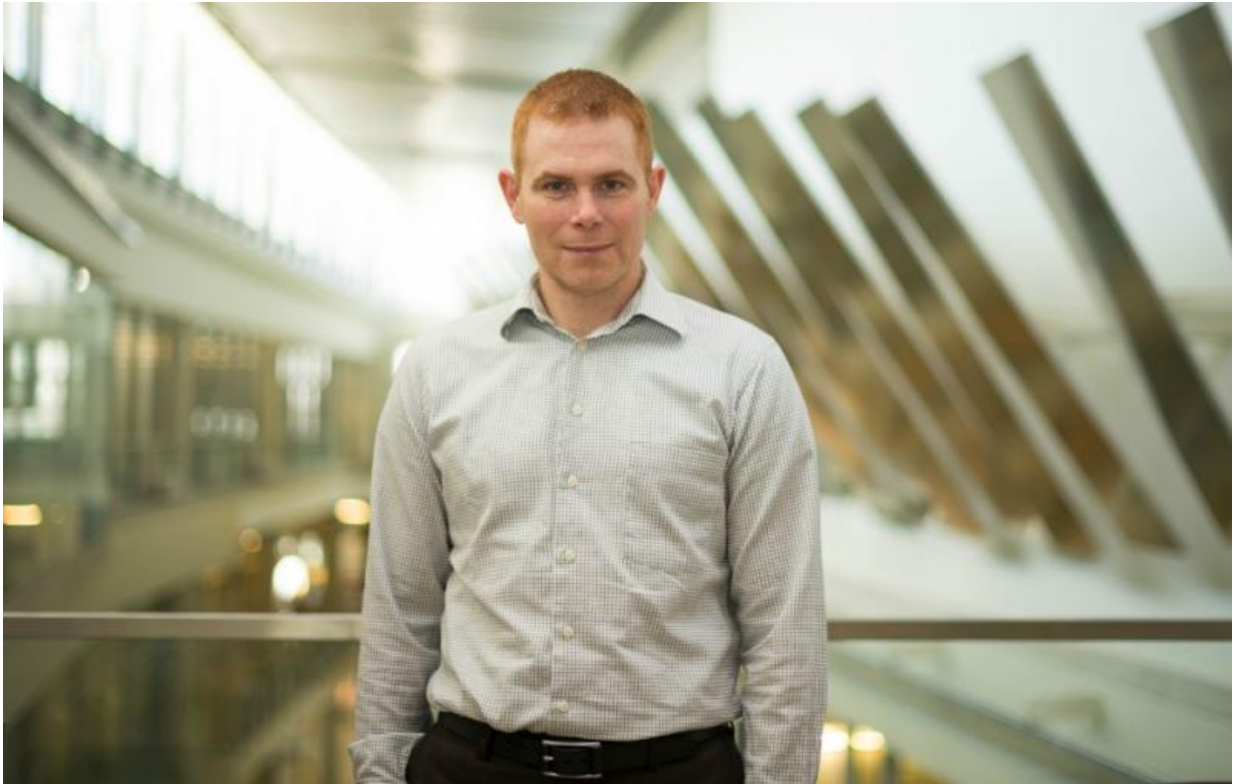


Leading the way to a new climate change plan

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Andrew Leach, energy and environmental economist, professor at the Alberta School of Business and chair of Alberta's Climate Change Advisory Panel

Andrew Leach is an energy and environmental economist, professor at the Alberta School of Business and chair of Alberta's Climate Change Advisory Panel. On the heels of the recent release of the province's Climate Leadership Plan, he discusses his role on the panel, lessons learned, research and community responsibility, and global impact.

Q. How were you selected to chair Alberta's climate change panel?

It started with a phone call from Richard Dicerri, head of the Alberta public service, then an invitation from Environment Minister Shannon Phillips to chair the panel, and then firm up from Premier Rachel Notley and her staff.

Q. What was it like to work behind the scenes and with a team with such a diverse set of experience, skills and representation? Can you elaborate on the consultative process?

We had three teams that were working simultaneously: the five of us on the panel as a group, the Ministry of Environment and Parks and the Ministry of Energy within government, and bureaucratic teams that were assigned to work with us from oil and gas, electricity and those that addressed broader climate policy. There was also the government side of Executive Council, ministers and cabinet, and so on. Working across three different areas, there were really interesting and different dynamics, different sets of information—leading into each group—and of course different expectations from each group, so there was a lot of team management.

Q. Was there anything that surprised you about this process? What were some highlights?

I think the first big surprise was the public consultation in Calgary with a turnout of 425 people—I had initially bet on 125. On my way to attend the public consultation, there were 150 people lined up out to the door of the hotel, half an hour before we started. I can still see that.

Not surprisingly, the impact occurs when the importance of what you are doing hits you. As you walk through the door at the first meeting with the premier and realize, 'This is what we are doing, this is how we hope the process will work, how do you want it to work?' Then it becomes real.

It was also interesting to see such a wide variety of people—people who wanted to tell us about their technology or their invention, people who were worried about their jobs, people who wanted us to take very aggressive action, people who wanted solar panels on their roofs.

Q. You had six months to address an issue that has affected Alberta's boom/bust economic cycles for more than half a century. To what do you attribute the successful delivery of the report on time?

The six-month timeline forced us to do things quickly. It forced us to move on from difficult decisions because we didn't have time to dwell on them—that was an important part of the process. But in terms of the success of the rollout, I think it's the premier. She was able to build the coalition that you saw onstage on November 22, and signal her trust in us from day one. It gave us the confidence to put our best advice on paper and then for her to take it, stand behind it and go out to build the coalition. She certainly deserves credit for that.

Q. Why now? What do you think contributed to the government's impetus on this type of action at this time?

This was the perfect storm, in the sense that you had a government that was committed to action combined with a big decision on the Keystone

XL file that brought home—even to those who were skeptical—the importance of the policy side absent the scientific, global, climate change side of things. As an energy-producing jurisdiction, there are real risks to not leading on this file. On the environmental side—and this is where again with the change in government, the circumstances are such that you do have a government committed to acting on this—your choice becomes, 'Can I work with a government that is committed to action or can I not?' And that combined circumstance brings everyone to the table.

Q. Why do you think it took so long for the province to address this issue?

You have to remember—what we brought forward built on a lot of what was in place before. Despite some of the rhetoric, Alberta still had a policy in place that was pricing carbon on our large industrial emitters—which you don't see in a lot of other jurisdictions. When Alberta's policy was first introduced, there were a lot of people who critiqued it, because the expectation was, 'Well, everybody else is going to do more, better, soon'—and that really didn't materialize. B.C.'s policy came out, but the push to get bigger policies in other jurisdictions really didn't materialize out of the Copenhagen climate summit in December 2009.

You really saw a change at [climate change](#) conferences, where people were talking about Alberta's experience. They were really interested in what Alberta had done—despite the fact that there were some issues with the policy—they had actually got one in. If you look at the U.S. process, for example, their ability to legislate never made it past the House and Senate, whereas Alberta was, in fact, able to deliver.

We have to be careful not to say that Alberta just suddenly decided to act on this problem. Alberta has done a lot of work on this issue; what

we've done is take it to the next level.

There was also tons of expertise too—I think that's a piece that often gets missed. Whether from the energy industry, stakeholders, environmental groups operating in Alberta or within government, the reality, in my experience, has been that there isn't a jurisdiction that is more engaged and expert in this policy area than in Alberta.

Just a quick phone call away, I have some of the most knowledgeable people in this policy space in the world—and they are here in Alberta. That gives you an ability to do more than you otherwise could and have it be understood.

Q. How do you think Alberta's actions and response to climate change will affect policy development around the world?

I think you are starting to see it already. Because of Alberta's place in the world—and to some degree because of the reputation that's been hung on the province and in many respects, unfairly—Alberta enacting the policy in the way that it did generates a whole lot of attention.

The idea that you have other jurisdictions now being compared to Alberta—energy-producing and non-energy producing jurisdictions—and saying, 'Why aren't you doing what Alberta is doing?' is part of what we imagined would happen. There are obviously some big policy pieces in what we did, but I still think it's not radical policy; it really is a balanced, centred approach. We're not creating huge swings in the vast majority of the economy. There are some targeted areas where there are some changes, but we've moved to the front and that will provide some pull. And that's what I've believed for a long time. Some of my earliest public writing on this subject identified that this is

something that could happen if Alberta acted this way. So I am pleased to see it playing out.

Q. Can you speak to the rollout of the new plan?

There still remains a lot of detail left to put in. What we do know is that the premier essentially endorsed the recommendations that we put forward as a panel, but in those recommendations there are a lot of placeholders for detail. So I think over the next six months, things like the negotiation of the coal phase-out, the policy to bring renewable energy online, the specifics of the carbon price and the use of the revenue all have to get pinned down.

The kind of 'white paper' level of what we produced, 'Here's what would happen if you did this' to legislate on the regulatory changes of this specific number, in this specific place at this specific time—there is some lead time required yet to accomplish.

Q. How were you able to draw on your research and how did that contribute to the whole process?

The panel process was almost a perfect match to my [research](#) background in a way, and we ended up drawing on some material that I didn't expect. I started out as a labour economist where I was working on 'tournament theory'—essentially, how people respond to big prizes. In our technology sessions, we explored similar research methodologies like 'X prizes,' as it draws on the same type of literature.

Most of my research since then has been centred on greenhouse gas policy—globally and locally. During my time in Montreal, I spent a lot of time working on electricity policy, including work with Dean Joseph Doucet (before he was Dean Doucet), and some of that work led to me

to moving to Alberta. I had not done a lot of work on oil and gas policy, but following my arrival in Alberta, I was presented with an opportunity to teach one of our energy markets courses and thus the impetus for me to become more engaged in our energy industry, learn more and, as a result, end up creating a whole new line of research.

This led to spending a sabbatical with Environment Canada, where I worked on greenhouse gas policy. Returning to Alberta, I continued research in the oilsands sector. Bringing all of those elements together—oil and gas, electricity, tournament theory and general climate policy—into this panel process created a perfect match.

Q. Do you believe academic institutions have a responsibility to affect public policy or bring research back to governments?

No question. It is something that I have always thought was really important, and one of the advantages of being in a university is you have the ability to contribute to public policy without having to move into government. So you can keep the distance—keep the academic freedom, so to speak—and provide a whole pile of value.

In the two stints that I have had in government, my role has been to come in from an external perspective, to bring in some expertise and provide a different set of eyes on a problem that has been around for a while. And that's where universities can contribute a great deal.

We saw a really exciting speech from the president at his installation about how much the U of A can contribute. And I think that's something we really need to bring home to the community. It's not just a question of top-tier research, but top-tier research that pays dividends right here. At the same time, I think we want to be careful of not saying, 'Well,

therefore, all research done at the U of A should have direct implications on Alberta.'

A lot of my work in the electricity sector has been conducted with reference to the Quebec market. Not a lot that refers to Alberta, but a lot of Quebec's competitive jurisdictions have similar markets to Alberta, so I by extension was able to use this background and apply it to forming policies here in Alberta.

As another example, if you're in engineering conducting research in a particular resource industry, just because your research is not tied directly to Alberta's oil and gas resources does not mean that you won't have an impact on that industry or to other aspects that can be beneficial to Albertans. I think we need to be always reminded that we are here at the pleasure of the government. We're a publicly funded university. We have to deliver that dividend.

Q. Do you see your role as an important part of public service?

I think absolutely. I think our role is to provide the public dividend, but I don't think it's the right extension to assume that the university exists as a consultancy for the government. You have seen this happen in other universities that have moved too far in this direction, where you are taking people out of their area of expertise to do work for the government in which they are not experts. In that case, both sides are losing. The university is losing because you are taking the best resources of the university and using them in not the right way, and the government is losing because they are not actually getting the best analysis.

I like doing what I do, but that does not mean that's the model that's

going to work well for many of my colleagues. And I would never suggest that that should be a default part of the job. I think all of us provide some balance of that public dividend; some of it is through core research discovery. For some of us it's going to be direct involvement in policy, some of us through more teaching and engagement, others through raising the global reputation of the university. All of those things matter—I don't think you shut out one of them in favour of the other.

Q. What have you learned about this process that could benefit how our university works towards policy-making impact?

Perhaps you can think about it in a slightly different way. I look at it and say, 'Of all the papers, documents, etc., that will end up with my name on them through my career, it may be that the one we just published is the one that will have the most [policy](#) influence.' At the same time, it's also the one that's probably furthest, at this point, from what we know to be the traditional definition of university research. I think that's where there needs to be some thought to the university model.

The other area where we've seen parallels is through the importance of public engagement and the way in which universities value that relative to other aspects of a university's role—not disproportionately, but how do they assess value so we don't create, on the one hand, the incentive simply to write blogs and op-eds at the expense of doing research, and on the other hand, that we recognize there is a role for both.

I jokingly said at a Canadian Economics Association conference last spring that a lot of my research tends not to have a broad audience. I would go from writing a post for The Globe and Mail or Maclean's that might catch thousands of readers, to writing an article on 'hoteling theory as applied to oil reserves' that might only attract dozens of readers—and

that's over the length of my entire lifetime if I am really, really lucky and at least two of them are my relatives! That's a challenge. I hope as a school—and I think we saw some pieces of that in the president's installation and indeed through Dean Doucet's priorities for the Alberta School of Business—that it has to be a mix of relevant to Alberta, leading in the world and the idea that we are not asking everybody to do an even share of both, but we're leveraging the strengths of the school where they exist for both priorities.

Q. What impact do this experience will have on the Alberta School of Business, classroom learning and your research, and on the local, provincial, national and global stages?

Regarding the classroom experience, I tell students all the time, especially as it relates to energy, that people in other jurisdictions read this type of material in textbooks or online—you're living in the middle of it!

We already have a really rich array of 'real-world' from which to draw on the direct experience from [government](#), industry or environmental groups coming into the classrooms. My participation in this process enhances that experience.

I was able to come into class on Tuesday morning and, along with two of my colleagues' classes, we combined them. 'OK, here is what just happened: 36 hours ago the premier stood up, here's what she said, here's what it means, let me talk you through the process.' I think that's a big advantage for the U of A, and it's also something that I hope to be able to share outside the U of A—and thus not retain the experience just for us.

For our research centre, CABREE, I hope this experience and

contribution have demonstrated that an academic who explores areas where there are industry experts and public interest groups who have a ton of experience and valuable knowledge—that we also have some significant value to bring to the table. It's not simply a question of the university being the prototypical 'ivory tower' as it relates to the direct design of markets and implications on policies. We have significant value to bring and we bring it with that separation of academic freedom and third-party analysis. I hope we can build from that.

Q. What do you tell your kids that you do every day?

Well, I used to tell them that I worked at the school. So they would say, 'You teach. Where do you teach?' ' Well, I teach at the university.' To them, 'my other job' meant that I worked downtown near the big castle. They were relieved that I was no longer doing my other job because it took me away from a lot of family time over the last six months, including more travel that I am probably used to, so they were glad that I am back at the university.

If you asked my son, he would probably say, 'He talks about oil sometimes on TV.'

More information: Read Alberta's Climate Leadership Plan: [alberta.ca/documents/climate/c ... port-to-minister.pdf](https://alberta.ca/documents/climate/c...port-to-minister.pdf)

Provided by University of Alberta

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