

Climate Fast Forward Conference

Track 5: Governance

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The Challenge and the Question

With the increasing threats and shrinking timeline for action, where do we need to re-think government structures and systems in Wisconsin that pose barriers to responsive and nimble decision-making for clean energy, climate resilience, and environmental protection? What might new approaches look like?

Additional background/discussion

If our governance systems are to respond effectively to changing climatic conditions, they will need to adapt to the scope and complexity of the challenge. Government structures and systems exist at multiple, interacting levels: local, municipal, county, state, federal, tribal, global. Leadership and action in response to climate change can and have emerged at all levels but, with limited exceptions, are not coordinated.

Climate change presents an unprecedented challenge for various reasons:

- Because governance structures at these different levels have different authorities and jurisdictions, and hold different priorities, tensions sometimes arise between them.
- Governance at any level tends not to be proactive but reactive, responding to crises and immediate risks rather than long-term trends and risks. The incremental impacts of climate change are not obvious; only the catastrophic impacts.
- Governance at any level reflects varied forces at work around and within the system, including: the power structures in society; awareness of and access to scientific information; entrenched economic interests; disparities in income, representation, and access; and varied legal, ethical, and philosophical frameworks.
- Effective responses to climate change are not confined to any one public policy arena, but touch on all sectors, including transportation, health, environment, education, agriculture, economic development, and labor.
- Because the causes and impacts of climate change are widely distributed, so must the governance response. Both “top-down” and “bottom-up” actions will be needed—and neither alone will suffice—to meet the challenge we face.
- Given the constraints built into governance structures and systems, the leadership role of civil society becomes even more vital and necessary.
- Evaluating the cost-effectiveness of potential mitigation and adaptation measures heavily depends on the scope of the impacts included. For example, when deciding what actions are cost-effective for a utility, a utility may only look at its equipment but not the society-wide impacts of a widespread outage on the economy and health.

Focusing on the State of Wisconsin, several components of government play an especially important role: the Public Service Commission (PSC), the Departments of Natural Resources (DNR) and Agriculture, Trade, and Consumer Protection (DATCP); and the UW System and Extension. Other state government entities also have vital roles, including the Departments of Public Instruction, Tourism, and Workforce Development.

What Big Hairy Audacious Goal would make a big difference in the next decade?

Wisconsin state government is not currently organized to address effectively the challenge of climate change. Climate change is a complex and systemic problem, and requires systemic solutions. The State of Wisconsin should create a new governance entity responsible for facilitating and coordinating state, tribal, municipal, university, and private-sector actions on climate change mitigation and adaptation. The Wisconsin Initiative on Climate Change Impacts (WICCI) could be a research branch for this entity.

What actions could advance progress toward that goal in the next decade?

Actions	Decision-makers	Implementers
Governor and state legislative leaders call a special session to discuss state agency missions and capacity to fight climate change.	Legislature and Governor	Legislature and Governor
Fully revive and bolster the Wisconsin Initiative on Climate Change Impacts (WICCI).	WDNR and UW System	WDNR and UW System
Direct WICCI to work with the UW-Madison Lafollette Institute, Nelson Institute, UW economists, and others to evaluate cost/benefit scenarios for mitigation and adaptation measures.	WDNR and UW System	WICCI
State-wide summit involving UW System, technical colleges, tribal and private colleges to identify current activities and future needs involving climate change research, mitigation, and adaptation.	UW System, other campus leaders	UW-Madison Nelson Institute
Review the structure and practices of the Public Service Commission and take specific steps to ensure the PSC's independence, integrity, and expertise to implement mitigation and adaptation measures.	Legislature, Governor and PSC	Legislature, Governor and PSC
Review the jurisdiction of the Wisconsin Department of Natural Resources to ensure it has the authority to mitigate climate change.	Legislature, Governor and DNR	Governor and DNR
Review the jurisdiction of Wisconsin Department of Agriculture Trade and Consumer Protection to ensure it has the authority to implement mitigation and adaptation measures.	Legislature, Governor and DATCP	Governor and DATCP
Establish a public intervenor to represent the environment before the PSC and DNR.	Legislature and Governor	Governor, PSC and DNR
Establish an office within PSC to represent consumer and environment interests.	Legislature and Governor	Governor and PSC
What changes should occur at the Wisconsin Economic Development Corporation to attract more businesses dedicated to the mitigation and adaptation efforts?	Governor and WEDC	Governor and WEDC

What are the barriers/challenges to pursuing solutions?

The barriers to climate change solutions involving governance are great and varied. They fall into several general categories:

- **Political:** The scientific foundations of climate change are well established. However, the implications of that science have become increasingly politicized.
- **Economic:** Both mitigation and adaptation measures can be expensive (though costs can pale in comparison to the benefits).
- **Institutional:** For most institutions, public and private, climate change is not a primary or priority mission. Internally, institutions are often characterized by “silo-ing” that works against integrated responses and solutions.
- **Communications:** Climate change is an inherently difficult topic because of its complexity. Politicization in the public arena has polarized discussions, making communications even more difficult.
- **Information:** Although scientific understanding of climate change advances continuously, 100% certainty will never be achieved, and knowledge gaps will always exist. Decision-making must be based on risk assessments.
- **Time:** The clock is always ticking on climate change. Early actions will be the most effective, but the most difficult to achieve.

What tradeoffs are involved in moving the solutions forward? Who gains, who stands to lose?

Those who have benefited most from the power structures connected to the causes of anthropogenic climate change stand to lose the most. The public as a whole, and the larger land community (to invoke Aldo Leopold’s terminology), stand to benefit the most from effective mitigation and adaptation. In terms of governance approaches and the political philosophies behind them, our responses to climate change can either exacerbate the tensions between private interests and the public good, or help to reconcile them. For example, utilities have historically have benefitted from the regulatory regime in Wisconsin. The utilities may not believe that more oversight and coordinated action is necessary and, therefore, may view some of these changes as threats.

How will these actions address equity, inclusivity, transparency, accountability and justice?

The causes and consequences of climate change vary across Wisconsin’s landscape of rural communities, smaller towns and cities, suburbs, larger cities, and tribal communities. The mitigation and adaptation actions required to address changing climatic conditions will likewise vary. Changes in governance will need to recognize the differences within our climate-change “landscape,” while building upon connections across that landscape (such as water and food systems). Mitigation and adaption measures will require substantial innovation and investment. Governance changes should promote actions that cross sectors and geographies and avoid incremental and possibly duplicative actions. These actions must also be undertaken through participatory processes that ensure fairness and transparency.

What economic factors, costs, and distribution of costs and benefits will influence the viability of these actions?

Effective governance in response to climate change involves challenges and questions for which conventional economic analysis is poorly positioned, and that addresses existing structures of incentives

and disincentives in the market and in governmental policies. We are seeing, for example, a rapid drop in the cost of renewables, storage, and demand response technologies. However, opening up electricity markets to these efficiencies and competition threatens to undercut the revenues of utilities. At the same time, the market cost of fossil fuels does not reflect the externalized costs of climate change. Another example involves the extreme precipitation events have become more frequent and intense in Wisconsin; municipalities and local governments across our state face increasing repair and adaptation costs for roads, bridges, culverts, and other physical infrastructure. Our governance systems will require new approaches to economic analysis to account for these dynamic conditions. A related, overarching question is whether our governance processes and systems can recognize the economic risks associated with *inaction*.

Will the solutions require changes in governing structures or processes to move forward?

Yes. Track 5 is all about changes in governance.

Best strategies to communicate about this topic to decision-makers and the public.

A report from the Wisconsin Academy can begin the discussion. Stakeholder groups, including governments at all levels and non-governmental organizations, can advocate for changes in state administrative agencies and the legislature. We also need to find new ways to foster communication through the inclusion of diverse voices from all regions of the state and all sectors. At the state level, we need to foster greater awareness of basic climate science at the community level through innovative means (which suggests a key role for the UW System and Extension). In all these ways, the citizens, governments, and institutions of Wisconsin will need to recognize that climate governance and policy touches all aspects of our lives, involving energy, transportation, water, food and agriculture, infrastructure, land use, public health, education, and other sectors.

Likely small group discussion topics in this track

- **Actions needed at the state level.** (For example: What can the PSC, DNR, Governors' Office do without the legislature? What should the Governors' Office be doing with neighboring states/Canada for adaptation and mitigation?)
- **Actions needed at the local/municipal/county level.** (For example: What actions can local governments take now without any additional authority? What new authorities do local governments need to address climate change, both adaptation and mitigation? How can local governments work together to address climate change?)
- **Actions involving Wisconsin's tribal communities.** (For example: What actions are Wisconsin's tribes already taking in terms of governance to address climate change? What unique opportunities does tribal governance offer?)
- **Actions involving the UW System and the educational system more broadly.** (For example: In addressing climate change and governance, what priority needs and opportunities can the UW System most effectively address through its research, teaching, and service capacities? Through which of the UW System's campuses and centers? What expanded role might the UW's Extension system play going forward? What collaborations can be encouraged with Wisconsin's private colleges and universities?)
- **Actions involving non-governmental organizations and the private sector.** (For example: What incentives have already proven most effective in encouraging climate-friendly private sector innovation and adaptation? What role(s) can Wisconsin's diverse non-governmental organizations most effectively play in advancing necessary changes in governance?)