Climate Action Planning Quickstart Guide for States & Metro Regions

A guide to help local governments prepare for and access EPA Climate Pollution Reduction Grants (CPRG)

SSG

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This work was prepared by SSG to enable urgent and effective climate action by States, Metro Regions, Tribes, Territories, Municipalities, and regional environmental agencies in the United States.

SSG's work is carried out on unceded and unsurrendered Indigenous territories, ranging from the traditional lands of the Michif Piyii in the North to the Huilliche in the South; from Hul'qumi'num Peoples in the West to the Mi'kma'qi in the East.

SSG recognizes that land acknowledgements alone are insufficient. We are committed to educating ourselves about the lands we are on and ensuring that our work contributes to healing and decolonization.

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About SSG

SSG is the leading climate action planning firm in North America. **We have delivered hundreds of Climate Action Plans for local governments and organizations of all sizes over the past 20 years.** Climate change mitigation, adaptation, and resilience work is our passion and we are happy to pass on our expertise through this quickstart guide!

For more information about SSG, our services, and our projects, please visit www.ssg.coop or contact info@ssg.coop.

Figure 1. Sample climate plans prepared by SSG.

1 | Climate Action Planning? Start Here.

SSG has prepared this guide to help states and metro regional governments navigate the planning process that addresses the EPA's priorities for climate action planning. It is informed by SSG's extensive experience working with cities and regional governments on climate action planning and implementation projects, as well as current best practices.

The EPA's guidance on Climate Pollution Reduction Grants (CPRG)[1] indicates that three deliverables will be required: a Priority Climate Action Plan due in 2024, a Comprehensive Climate Action Plan due in 2025 and a status report due at the end of the four-year grant period.

Table 1. The two climate action plans required in the CPRG.

Deliverable 1	**Deliverable 2**
Priority Climate Action Plan (PCAP)	Comprehensive Climate Action Plan (CCAP)
March 1, 2024	Summer-fall 2025
• GHG inventory; • Quantified GHG Rreduction measures; • Low-income and disadvantaged communities benefits analysis; and • Review of authority to implement.	• GHG inventory; • GHG emissions projections; • GHG reduction targets; • Quantified GHG reduction measures; • Benefits analysis for the full geographic scope and population covered by the plan; • Low-income and disadvantaged communities benefits analysis; • Review of authority to implement; • Plan to leverage other federal funding; and • Workforce planning analysis.

[1] EPA (2023). Climate Pollution Reduction Grants Program: Formula Grants for Planning. Program Guidance for States, Municipalities and Air Pollution Control Agencies.

For entities with existing climate action plans, the EPA encourages revising the plans to address the priorities of the program, which can be distilled into six key questions:

1. What are the sources of emissions, and what is their relative importance?
2. How can these emissions be reduced as quickly as possible?
3. Who will do this work?
4. What are the funding sources that can be accessed to fund emission reduction actions?
5. How can we ensure that these actions and policies benefit all Americans, and address environmental injustices?
6. How can we track progress?

This document summarizes state and metro region best practices in climate action planning. It provides direction in answering these questions and it helps prepare states and metro regions for EPA and other funding applications.

2 | What is a Climate Action Plan?

The land use, infrastructure, and financing decisions made today determine climate outcomes and our behavior for the next century. They result in either low-emission, climate-resilient neighborhoods that increase economic opportunity, or carbon-intensive, polluting, sprawling developments that are vulnerable to climate change.[2]

A climate action plan is a blueprint to decarbonize society. It identifies investments and policies using a comprehensive decision-making lens. It is a vision statement for a community, region, or city that tells a compelling story about how to improve lives by reducing costs, pollution, and emissions. It is a source of inspiration and hope that addresses one of the greatest challenges of our time.

Climate action planning incorporates many dimensions of state and metropolitan planning (Figure 2) and requires the involvement of multiple city government departments, stakeholders, and communities—with particular attention to disadvantaged communities—in all phases of planning and implementation. Climate action planning is a multifaceted planning process with broad implications.

Figure 2. Energy and emissions planning incorporates many dimensions of city and regional planning.

[2] Retrieved from: Cities Climate Finance Leadership Alliance. (2015). The State of City Climate Finance Report.

Climate Action Planning, Evolved

The practice of climate action planning and action and policy development has become more rigorous over the last 30 years in response to the urgency of taking action on climate change. Plans should now focus on the 3rd generation and emerging practices. These incorporate and evolve the best practices of previous generations.

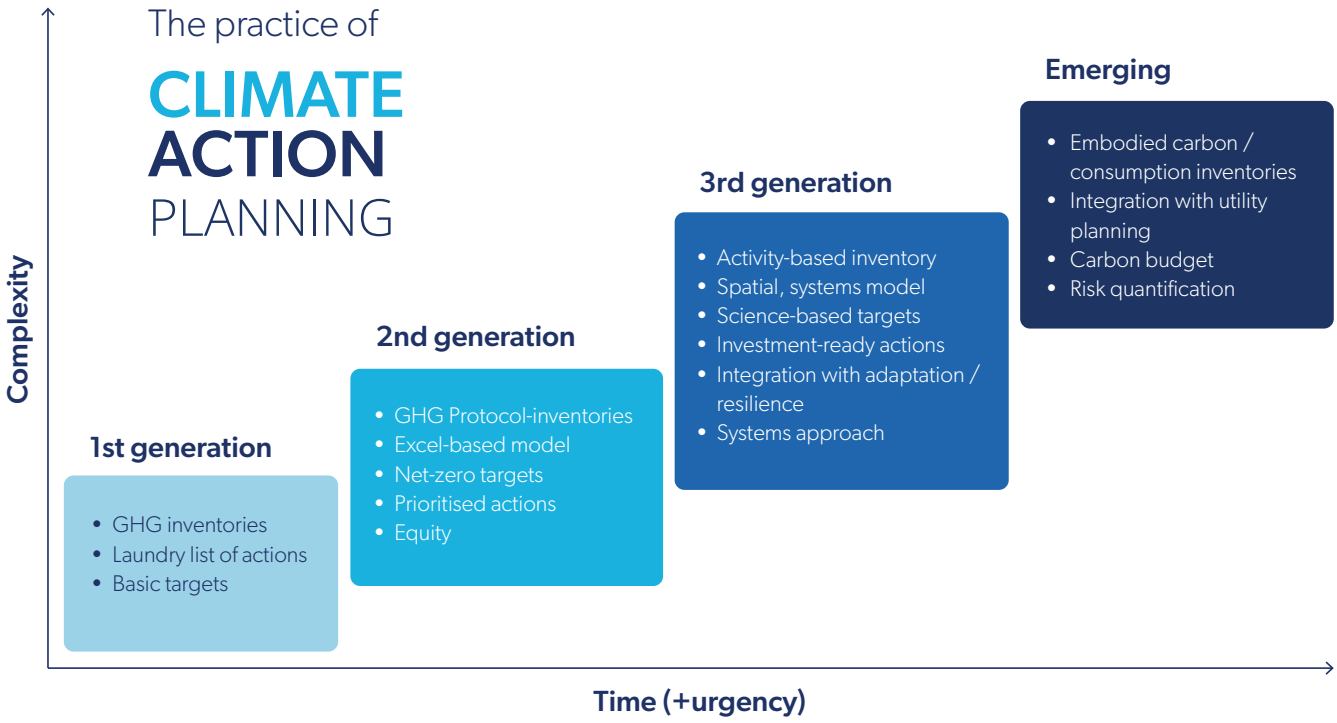

Figure 3. The evolution of climate action planning.

The Climate Action Planning Ethos: Avoid, Shift, Improve

Avoid, Shift, Improve is a simple mantra to follow in performing energy and emissions planning. Adapted from a similar approach from the waste sector (Reduce-Reuse-Recycle), it provides guidance on an approach to community energy and emissions planning.

The logic of the approach is that avoiding energy consumption reduces the need for retrofits (improve) and amount of renewable energy (switch) required by the community. If switch occurred first, the required capacity of the renewable energy installed would be greater, incurring a higher cost; and once improve and reduce efforts are implemented, renewable energy capacity would be greater than demand.

Climate Action Planning Components

With 30 years of climate action planning to draw from, several best practices have emerged. Table 2 describes the components of a climate action plan development process and its contents, which can guide new plan development or serve as the basis of an update to an existing plan.

Table 2. Best practices in climate action planning.

Component	Description	Best Practices
Terms of reference	The terms of reference or project charter can be adjusted to reflect the local context.	• Identify roles and responsibilities. • Identify objectives. • Define how the PCAP and CCAP will fit together and build on each other.
Context analysis	An analysis of the current planning context.	• Assess the climate, ecosystem, demographics, regional and national policy context, built environment, transportation systems, and other relevant factors that impact climate action planning.
GHG inventory	The GHG inventory is a snapshot of current emission sources and provides insight into factors driving those emissions.	• Align GHG accounting with the GHG Protocol for Community-Scale GHG Inventories. • Evaluate GHG emissions drivers (activity-based inventory). • Use emissions factors based on the latest science. • Include upstream GHG emissions from methane. • Include GHG emissions from consumption activities (e.g., building materials, food)
Modeling	Enables GHG emission drivers analysis in current and future conditions.	• Incorporate spatial resolution to enable transportation pattern and density analysis. • Evaluate energy system dynamics (e.g., electrification of transportation and heating in buildings). • Track energy and emissions year-over-year. • Evaluate a full range of actions and policies within the powers or influence of cities and their partners.
Scenarios	Used to explore potential emission reduction trajectories.	• Define emission reduction scenarios with the planning team and through engagement processes. • Model multiple low-carbon scenarios to compare decarbonization pathways. • Account for different growth and development patterns in the scenarios. • Select a preferred scenario that identifies optimal social, environmental, and economic outcomes of climate action—the decarbonization "pathway."

(continued from previous table)

Component	Description	Best Practices
Emission reduction targets	Used to track progress against the pathway.	• Base targets on existing scientific climate change studies and modeling (science-based targets). • Set targets on a timeline that aligns with the local government's operational decision-making cycle. • Establish targets for each sector and jurisdiction. • Use annual carbon budgets to keep the jurisdiction's efforts on track.
Engagement process	Ensures that the plan reflects the local context and priorities, while building capacity and knowledge.	• The International Association of Public Participation (IAP2) is the best practice framework for engagement processes. • Map interested and affected parties to identify key engagement process participants. • Incorporate a pre-engagement process to enable interested and affected parties to define how they would like to be engaged. • Create an advisory committee with diverse representation to help to guide the process, according to a terms of reference. • Design an engagement process that includes participation at each step of plan development.
Environmental justice	A key thread in every aspect of the planning process.	• Involve equity-denied communities in designing the planning and engagement process. • Assess the impact of the plan and its actions and policies on all communities impacted by the plan. • Design implementation approaches with equity-denied communities.
Financial analysis	Assesses the economic impacts of specific actions, policies, and investments, and identifies financing needs and opportunities.	• Calculate the net present value of the Climate Action Plan. • Calculate abatement cost curves to illustrate the costs or benefits of each action relative to its GHG emissions reductions. • Describe an investment pathway that aligns with GHG emissions reductions. • Identify which organizations are appropriate to fund or finance each action and policy. • Identify opportunities aligned with the Inflation Reduction Act, the Infrastructure Law, the American Rescue Plan Act, and others.
Co-benefits analysis	Indicates alignment or misalignment with other community/ organizational priorities.	• Assess air pollution impacts. • Assess health benefits. • Evaluate impact on energy poverty. • Calculate the social cost of carbon. • Evaluate climate adaptation and resilience measures.
Monitoring and evaluation	Supports implementation and public accountability	• Include reporting to the Carbon Disclosure Project (CDP) and the Task Force on Climate-Related Financial Disclosures. • Identify key performance indicators . • Identify annual GHG targets.

Getting to Action: The Big Moves

The CPRG includes a two-step process with the PCAP and the CCAP, where the PCAP is a simplified version of the CCAP. Given the urgency of climate change, the best practice is a planning while doing method—organizations do not wait to complete the plan before implementing actions that reduce GHG emissions.

There are eight big moves common to most Climate Action Plans that can be implemented in parallel to the planning process:

1. **Creating high-performance new buildings:** What regulations, policies, and incentives can be used to ensure new construction is net-zero emissions?
2. **Retrofitting the existing building stock:** What programs and policies can be developed to reduce emissions from the existing building stock?
3. **Generating renewable energy:** What regulations, policies, and incentives can be used to stimulate renewable energy projects?
4. **Active transportation:** What land-use policies and investments can be used to stimulate walking, cycling, rolling, and transit?
5. **Electrifying transportation:** How can replacing gas vehicles with electric vehicles be accelerated?
6. **Decarbonizing industry:** What are the opportunities to increase the efficiency of industry and switch to renewable energy?
7. **Reducing emissions from waste:** How can waste reduction, diversion, and treatment practices and policies be enhanced?
8. **Protecting and enhancing natural areas:** What are the opportunities to protect, restore, and expand these areas?

3 | Your Climate Action Plan in Nine Stages

This sample work plan can help guide jurisdictions planning to develop a climate action plan under the CPRG process. It provides a detailed list of the tasks that should be undertaken to support the planning process.

Part 1: Priority Climate Action Plan (PCAP)

The following approach aligns with the requirements of the CPRG, where the deliverables in the CCAP (Part 2) build on the deliverables from the PCAP (Part 1). An engagement process threads throughout, informing the technical analysis.

Stage 1: Preparation

Duration: 1 month

Coordination and Communication	Technical Analysis	Engagement
• Project coordination team meetings. • Prepare a project terms of reference. • Provide project briefings to leadership/councils of partnering jurisdictions. • Create a project website. • Issue a press release on the project launch.	• Choose the GHG inventory protocol. • Prepare a data request for the GHG linventory and modeling, identifying data sources. • Develop a context analysis. Identify the authority to implement climate actions and policies for each partner jurisdiction. • Review actions already underway by jurisdictions in the region.	• Undertake the pre-engagement process. • Develop an Engagement Plan. • Develop an advisory committee with a terms of reference.

PCAP Outcome: A review of authority to implement.

Stage 2: GHG Inventories

Duration: 2 months

Coordination and Communication	Technical Analysis	Engagement
• Project coordination team meetings. • Prepare a briefing note on the results of the GHG inventory.	• Develop the GHG inventory. • Analyze the drivers of sectoral GHG emissions.	• Advisory Committee Meeting #1: The planning process. • Advisory Committee Meeting #2: GHG inventory results.

PCAP Outcome: GHG inventory.

Stage 3: Actions and Scenarios

Duration: 3 months

Coordination and Communication	Technical Analysis	Engagement
• Project coordination team meetings. • Respond to comments on the project website. • Prepare and post a briefing note on the analysis and evaluation of the scenarios. • Provide project briefings to leadership/councils of partnering jurisdictions on the scenario results.	• Develop a catalog of possible actions and policies. • Develop a reference scenario that includes policies from all levels of government and land-use policies. • Develop low-carbon scenario concepts. • Model the scenarios. • Evaluate the scenarios against criteria identified by the advisory committee. • Identify a preferred scenario. • Develop visualizations such as charts, Sankey diagrams, and wedge diagrams.	• Community Engagement Activity #1: Actions identification. • Advisory Committee Meeting #3: Scenario development and criteria for evaluation. • Advisory Committee Meeting #4: Prioritization of the scenarios. • Community Engagement Activity #2: Scenario Review and prioritization.

PCAP Outcome: GHG emissions projections; Quantified GHG reduction measures.

Stage 4: Climate Justice

Duration: 1 month

Coordination and Communication	Technical Analysis	Engagement
• Project coordination team meetings. • Respond to comments on the project website. • Prepare and post a briefing note on environmental justice impacts.	• Spatially evaluate the impact of the preferred scenario on neighborhoods and cross reference socio-economic datasets. • Evaluate the impact of the preferred scenario on household archetypes. • Evaluate the impact of the preferred scenario on energy poverty and household energy expenditures.	• Community Engagement Activity #3: Targeted interviews. • Community Engagement Activity #4: Focus groups.

PCAP Outcome: A low-income and disadvantaged communities benefits analysis.

Part 2: Comprehensive Climate Action Plan (CCAP)

Stage 5: Targets

Duration: 1 month

Coordination and Communication	Technical Analysis	Engagement
• Project coordination team meetings. • Prepare and post a briefing note on targets.	• Review target methods. • Identify target options.	• Advisory Committee #5: Targets review.

CCAP Outcome: GHG reduction targets.

Stage 6: Financial Analysis

Duration: 1 month

Coordination and Communication	Technical Analysis	Engagement
• Project coordination team meetings. • Prepare and post a briefing note on the financial analysis. • Provide project briefings to leadership/councils of partnering jurisdictions on environmental justice, targets, and financial analysis.	• Prepare the financial assumptions for the analysis. • Evaluate the financial impacts of the preferred scenario. • Develop an annual CAPEX and OPEX projection for the preferred scenario. • Assess the sensitivity of the analysis to energy costs. • Calculate the abatement costs of each action. • Map financial costs to different organizations. • Calculate the impact of federal funding programs on the overall funding requirement.	• Advisory Committee Meeting #6: Financial results. • Community Engagement Activity #5: Financial results and implementation planning.

CCAP Outcome: A plan to leverage other federal funding.

Stage 7: Co-benefits Analysis

Duration: 1 month

Coordination and Communication	Technical Analysis	Engagement
• Project coordination team meetings. • Prepare and post a briefing note on the co-benefits.	• Identify the co-benefits to evaluate and identify which can be quantified versus assessed qualitatively. • Assess the co-benefits/co-harms of each scenario.	• Advisory Committee #7: Co-benefits. • Community Engagement Activity #6: Focus groups.

CCAP Outcome: A benefits analysis for the full geographic scope and population covered by the plan.

Stage 8: Implementation Planning

Duration: 1-3 months

Coordination and Communication	Technical Analysis	Engagement
• Project coordination team meetings. • Prepare and post a briefing note on the co-benefits.	• Identify programs, policies and actions that will support implementation. • Assess the impacts on employment and the workforce required for delivering the actions and policies in the preferred scenario. • Identify roles and responsibilities. • Identify governance and management approaches. • Identify key performance indicators. • Undertake a risk assessment of the plan implementation. • Identify a reporting protocol.	• Advisory Committee Meeting #7: Implementation planning. • Community Engagement Activity #7: Focus groups.

CCAP Outcome: A workforce planning analysis

Stage 9: Final Plan

Duration: 1-2 months

Coordination and Communication	Technical Analysis	Engagement
• Project coordination team meetings. • Provide project briefings to leadership/Councils of partnering jurisdictions on the final CCAP.	• Preparation of a draft plan. • Review of the draft plan. • Final plan. • Copyediting. • Graphic design. • Interactive website for the plan. • Communications assets (social media, press release, FAQ).	• Advisory Committee Meeting #8: Draft CCAP. • Community Engagement Activity #8: Draft CCAP. • CCAP launch/celebration.

CCAP Outcome: Final CCAP

In Closing

SSG has refined this work plan template and the information in this guide over the course of hundreds of projects. There are many possible planning process variations and adaptations that can be made to suit any state or metro region's efforts. The most important outcome of this work is to set states and metro regions up for success in their climate action and policy implementation efforts—the planning phase is just the beginning, after all. Well-informed efforts at these planning stages and understanding who is affected by climate actions and policies (and how they are affected) will give states and metro regions the knowledge, support, and momentum needed to take action in addressing the biggest challenge of our time.

SSG is here to help! If you have questions about the guide or our climate action planning services, please visit us at www.ssg.coop, or contact us at info@ssg.coop.

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