Hope for the Climate
(even with a partisan Congress)
Has a commitment to sustainability:

- Center for Sustainability and the Environment
  - *Sustainability Perspectives* Series
- Sustainability major, degree
- Sustainability and Civic Engagement
  - President Gibraltar’s Inauguration
National and International
80,000+ supporters across the U.S. and 30 other countries

Nonpartisan
We have members across the political spectrum.
Current Deadlock in Most Climate Legislation

Supporters of Climate Action with Government Programs

Supporters of Limited or No Climate Action and No Growth in Government
Three Possible Pathways Forward
(Andrew J. Hoffman, *How Culture Shapes the Climate Change Debate*)

• Optimistic – there will be a technological breakthrough that will fix everything.

• Pessimistic – we will make the other side see that they are wrong (change the other sides’ values).

• Consensus-based – focus on integrative elements getting at the underlying interests and values at play.
National and International
80,000+ supporters across the U.S. and 30 other countries

Nonpartisan
We have members across the political spectrum.

Look for common values
Whether we’re talking with a Congressperson or other citizens, we speak with respect, appreciation and gratitude even if we disagree – because that’s the only way to find common ground.

Solution focus
We focus on a carbon tax as the fastest, cheapest, most transparent way to lower carbon emissions. In particular, one that can have bipartisan appeal – Carbon Fee & Dividend
Climate Action Must be at the Pace and Scale Needed and Not Hurt the Poor

Any Solution Must be Market-Based and Not Hurt the Economy
Regional Economic Modeling Inc
And Synapse Energy Economics Inc
Non-partisan, highly-respected and widely-used modelers.

United States carbon dioxide emissions

In 20 years:
- 50% decrease from 1990 levels
- 50% decrease from 1990 levels

Without carbon fee
With steadily-rising carbon fee

Reductions at Scale and Pace Needed
Faster than with the Clean Power Plan
Carbon Fee and Dividend is Market-Based

Fossil Fuel Companies

Pay steadily rising fee

US Treasury Department

Products made using energy from fossil fuels & direct energy

Raise prices

Expensive

US Households

On Oil, Gas, and Coal when first enter the economy
As the price of carbon increases, alternative energy becomes cheaper than fossil-fuel-based energy.

This drives energy decisions by utilities, industry, investors, and consumers.
Carbon Fee & Dividend is Market-Based

Fossil Fuel Companies

Steadily rising fee

US Treasury Department

Products made using energy from fossil fuels & direct energy

Decarbonized energy used for products and direct energy

Raise prices

Expensive

Cheaper

US Households

On Oil, Gas, and Coal when first enter the economy
Many companies already account for a Carbon Fee when making decisions ("shadow price")

- American Electric Power
- BP
- Chevron
- Corning
- ConocoPhillips
- Delta Air lines
- Dow Chemical
- Duke Energy
- ExxonMobil
- General Electric
- Goldman Sachs
- Microsoft
- PG&E
- Shell
- Stanley Black & Decker
- Walt Disney
But what about the dividend?

Fossil Fuel Companies
On Oil, Gas, and Coal when first enter the economy

Steadily rising fee

US Treasury Department
100% net revenues as dividend

Products made using energy from fossil fuels & direct energy

Expensive

US Households
Carbon Fee & Dividend keeps Economy Healthy

Under Carbon Fee and Dividend

- 2 M New Jobs
- $1.37 T GDP

20 years
The dividend helps the poor especially

Fossil Fuel Companies

Steadily rising fee

On Oil, Gas, and Coal when first enter the economy

US Treasury Department

100% net revenues as dividend

Products made using energy from fossil fuels & direct energy

Expensive

US Households
Same size dividend, different carbon footprints

Dividend:

- $288/month* for 10 years
- $396/month* for 20 years

*For a family of four (2 adults, 2 children)
So Dividend protects people with low- and middle-income.
The Dividend should make it popular, and so last

- Nationally, 72% of households come out ahead, break even, or have only a minimal increased cost (<0.2% of income). These are both Republicans and Democrats.

- Monthly direct deposits are visible.

In the areas that are purple, a majority of people benefit from a CF&D
Added Bonus: Lives Saved

Under Carbon Fee and Dividend

227,000 lives

Over 20 years
Carbon Fee and Dividend

1. Place a fee on fossil fuels at the source (mine, well or port).
   $15/ton CO2-e first year + $10 every year after that.

2. Return almost all of the revenue to households equally.
   Each adult gets full share, ½ share per child, up to 2 children per household.

3. A border adjustment on goods imported from or exported to countries without an equivalent price on carbon.
Carbon fee and dividend can be embraced by Democrats

“We could use that money [from a carbon tax] to create green jobs and rebuild infrastructure. Or we could do what Alaska does with its oil revenue and distribute the money equally to every American as a kind of a dividend ...”

https://www.youtube.com/watch?v=Z9OCPqzbzBk

Robert Reich
Spokesperson for MoveOn.org

“Probably the best hope for a price on carbon that kept going up, in order to keep pressure on carbon emissions, is the ... “fee-and-dividend” approach that Citizens Climate Lobby, the eminent climatologist James Hansen, and others ..., have tirelessly advocated.”

http://e360.yale.edu/features/why_we_need_a_carbon_tax_and_why_it_won_be_enough

Bill McKibben
Author, Founder of 350.org, Bernie Sander’s appointee to Democratic platform committee
And Republicans: 
The Conservative Case for Carbon Dividends

“The idea of using taxes to correct a problem like pollution is an old one with wide support among economists. But it is our unique political moment, combined with the populist appeal of dividends, that may turn the concept into reality.”
Urgent Action Requires Common Ground

Climate Action Must be at the Pace and Scale Needed and Not Hurt the Poor

CARBON FEE AND DIVIDEND

Any Solution Must be Market-Based and Not Hurt the Economy
Bipartisan Climate Solutions Caucus

Now with 30 Republicans and 30 Democrats

NOT Including NY-24’s John Katko

Explore policy options that address the impacts, causes, risks, and challenges of our changing climate

Educate members of Congress on economically viable options
Dear Representative Katko,

Thank you for caring about the environment and introducing the bipartisan Brownfields Reauthorization Act. I’m concerned about the environment, climate change in particular, because

_____________________________________________________________________________
_____________________________________________________________________________
_____________________________________________________________________________

Please join the bipartisan Climate Solutions Caucus.

Sincerely,

name _____________________________________________

address ____________________________________________
JOIN

#PUTAPRICONEIT

https://theclimatesolution.com/

Add Wells College to the list!
Interested in Citizens’ Climate Lobby?

How much time do you have?

• **One minute?** Fill out a postcard

• **One hour?**
  ✓ Join our intro call Weds, 8pm, [www.tiny.cc/CCL](http://www.tiny.cc/CCL)

• **More?** Join CCL! Go to [Citizensclimatelobby.org](http://Citizensclimatelobby.org)

• Email me (Nancy) at: ny23@citizensclimatelobby.org
Thank you!

Questions?
Business & Agriculture
- American Independent Business Alliance
- National Ski Areas Association
- Lightning Hybrids Manufacturing
- Taitem Engineering
- Renovus Solar
- Arlen Acres Farm
- Luminous Hills Winery
- Northwest Farmers’ Union

Individuals
- James Hansen (former NASA Director)
- Stephen Chu (former Secretary of Energy)
- Bill McKibben (author, founder 350.org)
- Shi-Ling Hsu (Env. Prog. Fla. State U Law)
- Sylvia Earle (former NOAA Chief Scientist)

Endorse CCL’s Carbon Fee and Dividend

Editorials

Municipal Resolutions
AZ – Eureka Springs, Fayetteville
CA – Modesto, San Francisco, San Luis Obispo, State of California
CO – Carbondale, Pitkin County
MN – Grand Marais PUC
NJ – Essex County
NY – Danby, Ithaca, Tompkins Co., Rochester
NM – Dona Ana Co., Santa Ana, Santa Ana Co.
PA – Philadelphia
UT – Salt Lake City
Business Trends

Jobs in the Electric Power Generation & Fuels Sector (Dept. of Energy report):

Oil: 515,518
Natural gas: 389,235
Solar: 373,807
Coal: 160,119
Bioenergy: 130,677
Wind: 101,738
Nuclear: 76,771
Hydroelectric: 65,554

Some Companies Are Moving Ahead:

“Nearly half of the Fortune 500 companies in the United States have now set targets to shrink their carbon footprints.”

Google, Walmart, and Bank of America and about 20 other companies “have pledged to power their operations with 100% renewable energy, with varying deadlines.”


Tax Swap = Reduce revenues from other taxes by an amount equal to revenue from carbon tax

US Treasury Department

Corporate Tax
Personal Income Tax
Payroll Tax

US Businesses
US Households
US Employers
Tax Swap = Reduce revenues from other taxes by an amount equal to revenue from carbon tax
Carbon Fee and Dividend

Fossil Fuel Companies
On Oil, Gas, and Coal when they first enter the economy
Pay steadily rising fee

US Treasury Department
Rising revenues as dividend

As the fee rises, so does the dividend

US Households
But why wouldn’t companies just move to where there is no price on carbon?

- The CF&D proposal includes a border adjustment.
Border Duty on Products Coming from Countries Without a Fee on CO$_2$-e

Dan Miller, TEDx Talk
Incentivizes more Countries to place a Fee on CO$_2$-e

Dan Miller, TEDx Talk
Climate Leadership Council:
The Conservative Case for Carbon Dividends

“The idea of using taxes to correct a problem like pollution is an old one with wide support among economists. But it is our unique political moment, combined with the populist appeal of dividends, that may turn the concept into reality.”

Martin S. Feldstein, Ted Halstead, and Gregory Mankiw. NYT Op-Ed
So how do the two dividend proposals differ?

**CCL’s Carbon Fee and Dividend**
- Carbon fee starts at $15/ton CO$_2$-e
- Rises $10/ton CO$_2$-e yearly

**Republican Carbon Dividend**
- Carbon fee starts at $40/ton CO$_2$
- Rises 2% over inflation yearly
So how do the two dividend proposals differ?

CCL’s Carbon Fee and Dividend

• Revenues from border adjustment given to exporters.

Republican Carbon Dividend

• Revenues from border adjustment included in dividend.

Dan Miller, TEDx Talk
So how do the two dividend proposals differ?

<table>
<thead>
<tr>
<th>CCL’s Carbon Fee and Dividend</th>
<th>Republican Carbon Dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Dividends distributed monthly</td>
<td>• Dividends distributed quarterly</td>
</tr>
<tr>
<td>• Adults get 1 share, children $\frac{1}{2}$ share, up to two children per household</td>
<td>• Everyone with valid social security number gets a full share</td>
</tr>
<tr>
<td>• Dividends are taxable</td>
<td>• Dividends not taxable <em>(so revenue-negative)</em></td>
</tr>
<tr>
<td>• No regulatory roll-back</td>
<td>• Regulatory roll-back, inc. Clean Power Plan</td>
</tr>
</tbody>
</table>
How does a CF&D compare with NY State bill?

Carbon Fee & Dividend

• National - not yet introduced
• Tax imposed on fossil fuels when first enters economy
• Tax starts at $15/ton of CO$_2$-e and rises $10/t-CO$_2$-e/yr until emissions drop to 10% of 1990 values
• 100% of net revenues (i.e. revenues minus administrative costs) are given to all households – each adult gets 1 share, each child ½ share up to two per household

Cahill-Lifton Bill

• State - NY Assembly - In Committee
• Tax imposed on fuel distributors and utilities
• Tax starts at $35/ton of CO$_2$-e and rises $15/t-CO$_2$-e/yr to a max of $185/t-CO$_2$-e/yr
• 60% of net revenues distributed to very low income to moderate income in progressive manner
• 40% of net revenues used to support transition to clean energy, energy efficiency, and adaptation
How to Address Methane Leakage?

Methane leakage is substantial and critically important to include.

A system is needed to accurately measure leakage and assess tax back to the upstream sources.

- Carbon Fee & Dividend legislation will include a 3-year initial study of such a measurement system.

- Will then make a recommendation as to whether the measurement techniques had improved to the point being able to impose the tax.

But meanwhile, would include EPA estimate in fee on natural gas
Rachel Kyte, U.N.’s Sustainable Energy Chief

• “There’s no point in having a carbon price if it’s not effective in driving out emissions.”

• “Time is not on our side. This isn’t stuff you can put off. The tendency to put this on the back burner because you have to deal with some immediate political problems is a natural one, but we’ve got to try to overcome that.”

• “are we able to blend public and private money effectively at scale to drive the transition faster than what would happen without it?”

World Bank 2016
Carbon prices

World Bank 2016
So how do we get a high enough Carbon Fee?

• In U.S. – with the Dividend – Bill McKibben quote

• In other countries – with the Border Adjustment
August, 2016 global solar prices vs. installations

As prices have dropped, installations have skyrocketed.

- Price of a solar panel per watt
- Global solar panel installations

- 2 MEGAWATTS
- 64,892 MW
- $0.61

How Will CFD Impact the Economy?

Nationwide study by Regional Economic Models, Inc (REMI)

Millions of new jobs

Regional Economic Modeling Inc
REMI: Household Refunds Increase

$400 per month per household
REMI: 225,000 Lives Saved

Due to avoided air pollution

Regional Economic Modeling Inc
REMl: Report Summary

Employment
- 2 million more jobs

Climate
- Reduces carbon dioxide

Fiscal
- Increases household incomes

Humanitarian
- Saves Lives

Economic
- $1.3 trillion more GDP

No economic case against Carbon Fee
Figure 3.5 – This is the sum of the regions’ GRP, which equals the United States’ GDP. The impact is still a net positive, although less so than the impact to employment in percentage terms—the above is a difference of 0.35% to 0.65% from baseline GDP. The difference in the scale of the impact between the two again comes down to the industry mixture.