
A Citizen's Perspective on Climate Change and What to Do About It



Citizens' Climate Lobby

Presentation to the Boulder chapter of the Colorado
Renewable Energy Society

Nov. 10, 2015

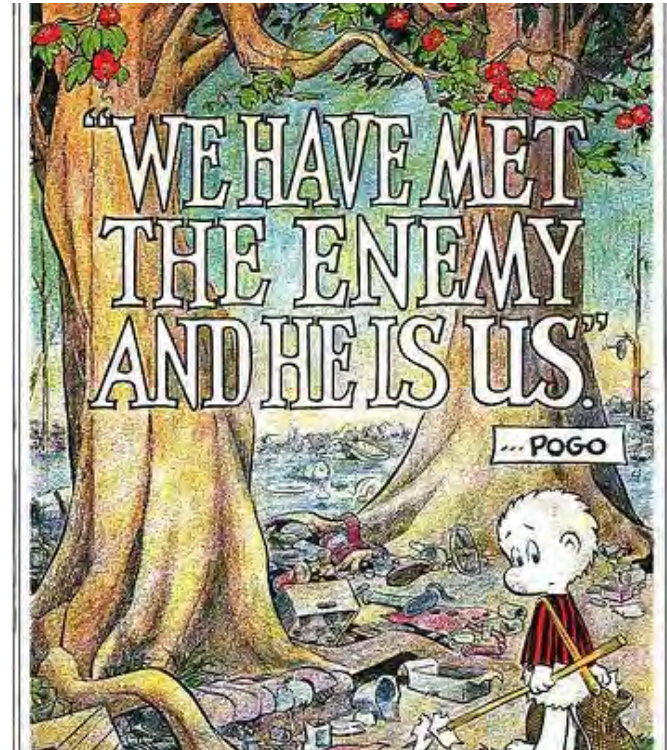
Jim Dimmick

Outline of Talk

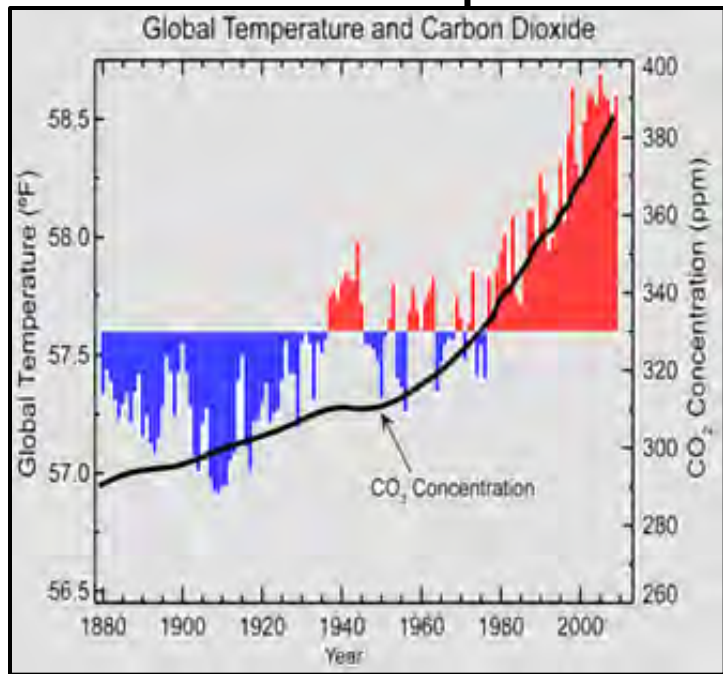
- The problem - Escalating Climate Change
- A good solution - Carbon Fee and Dividend (CFD)
- How would Carbon Fee and Dividend work?
- Alternative Solutions
- What Does Citizens' Climate Lobby (CCL) Do?
- What can you do?
- Questions / Discussion

The Problem - Escalating Climate Change

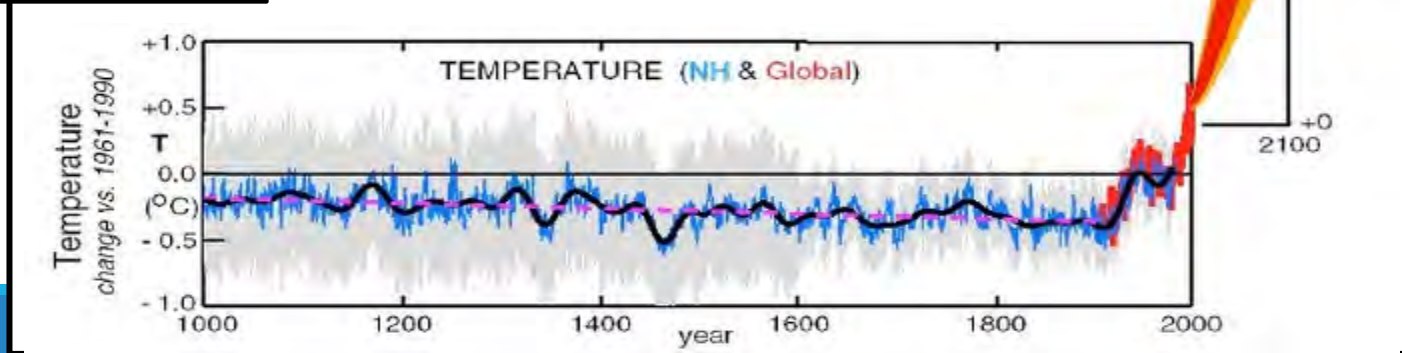
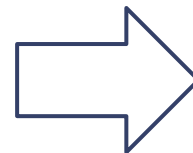
- Climate Change is happening
- It is caused mostly by human behavior, particularly the burning of fossil fuels and land use change
- We can see the effects of it now
- The impacts will get worse over time
- We need to act now



Walt Kelly's 1971 Earth Day Poster



Future
change
depends
on our
action
now



The great moral issue: Climate Injustice



What is Citizens' Climate Lobby Carbon Fee & Dividend Proposal?

CCL's Carbon Fee & Dividend Proposal

- A Gradually Increasing Carbon Fee
- A Revenue Neutral Dividend
- Cross Border Adjustments

A Gradually Increasing Carbon Fee

- A fee on all fossil fuels at the source (mine, well head, etc.)
- Start with \$15/ton of CO₂ equivalent emissions*
- Increase \$10/ton each year until U.S. emissions are 10% of 1990 levels

* \$15/ton equates to about 15 cents/gal. of gasoline

A Revenue Neutral Dividend

- 100% of the revenues are returned to American households each month as a dividend
- Equal payments to all American households
 - one share per adult
 - 1/2 share to children < 18 (up to 2 kids)

Cross Border Adjustments

- Applies to imports & exports from countries that don't have equivalent carbon pricing policies
- Imports from those countries are tariffed
- Exports to those countries are subsidized

How does Carbon Fee & Dividend Work?

Carbon Fee & Dividend

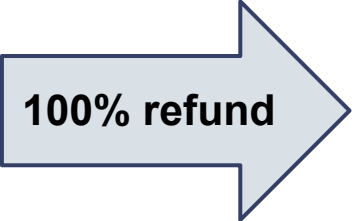
**Oil, Gas,
and Coal
Fossil Fuel
Companies**



**At extraction
point**



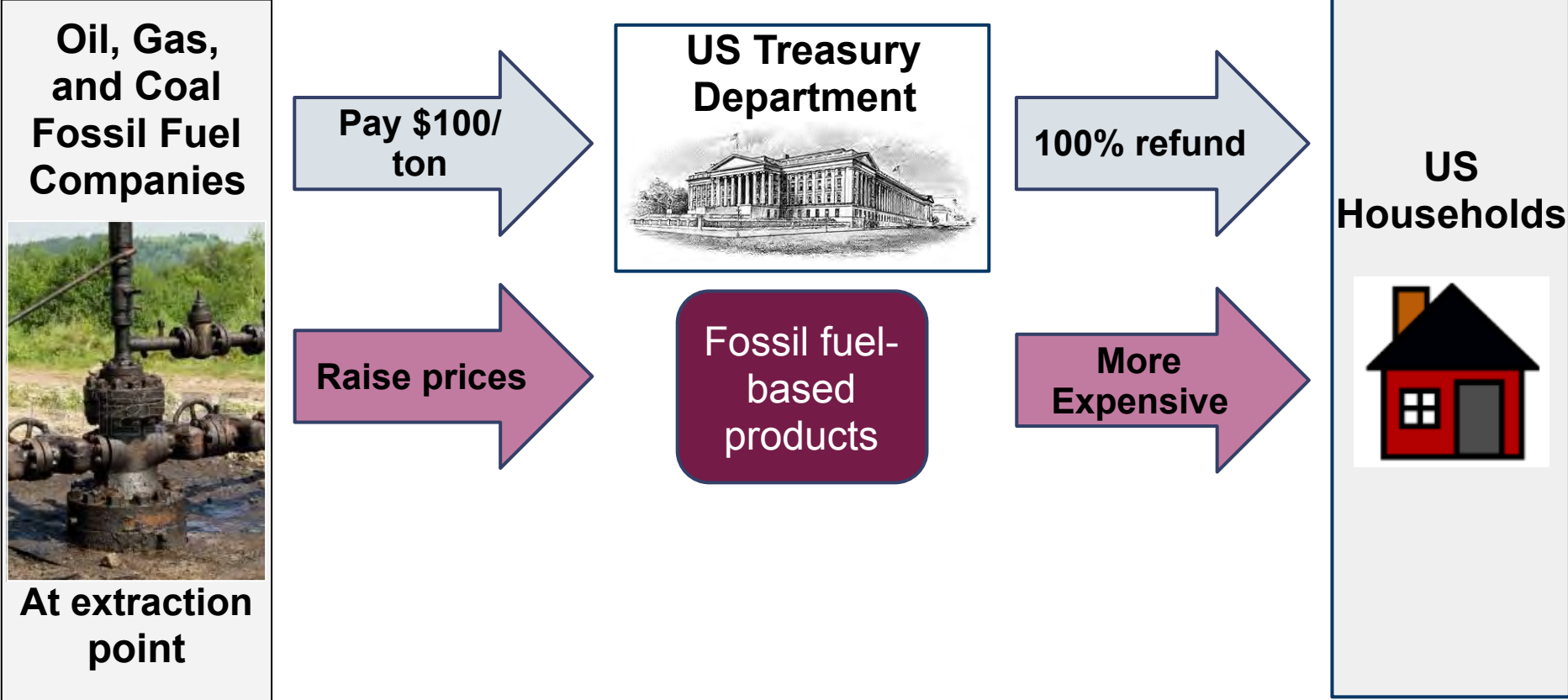
**US Treasury
Department**



**US
Households**



Carbon Fee & Dividend



**Oil, Gas,
and Coal
Fossil Fuel
Companies**



**At extraction
point**

**Pay \$100/
ton**

**US Treasury
Department**

100% refund

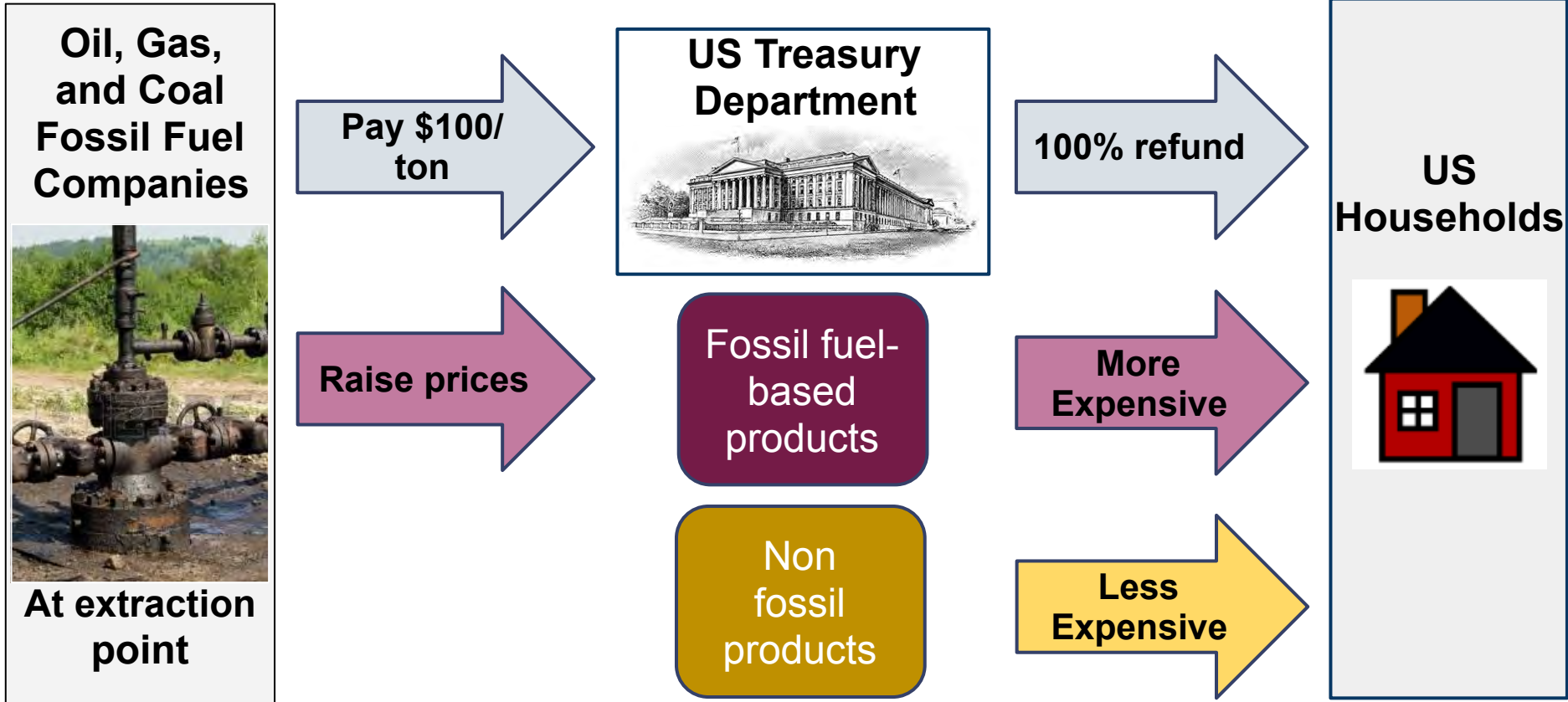
**US
Households**

Raise prices

**Fossil fuel-
based
products**

**More
Expensive**

Carbon Fee & Dividend



Why a revenue-neutral carbon fee?

- A market-based solution
- Doesn't increase the size of our federal government
- Simple to administer and transparent
- Fits the philosophy of both political parties

How does CFD prompt a transition to a low-carbon economy?

- Industry leaders perceive a stable price signal indicating that fossil fuels will soon be more expensive than renewables.
- Investment shifts to clean renewable energy.
- Competition for energy efficiency drives innovation.

Carbon Fee and Dividend

In several years, clean, renewable energy becomes cheaper than carbon-based energy without any subsidies



Economists & Conservatives Agree

“It’s not a tax if the government doesn’t keep the money”



George Shultz,
Secretary of
State to Reagan

“... tax those things we would like to have less of”



Gregory Mankiw,
Harvard Professor
& economic advisor
to George W. Bush

Carbon Fee and Dividend - Cross Border Adjustments



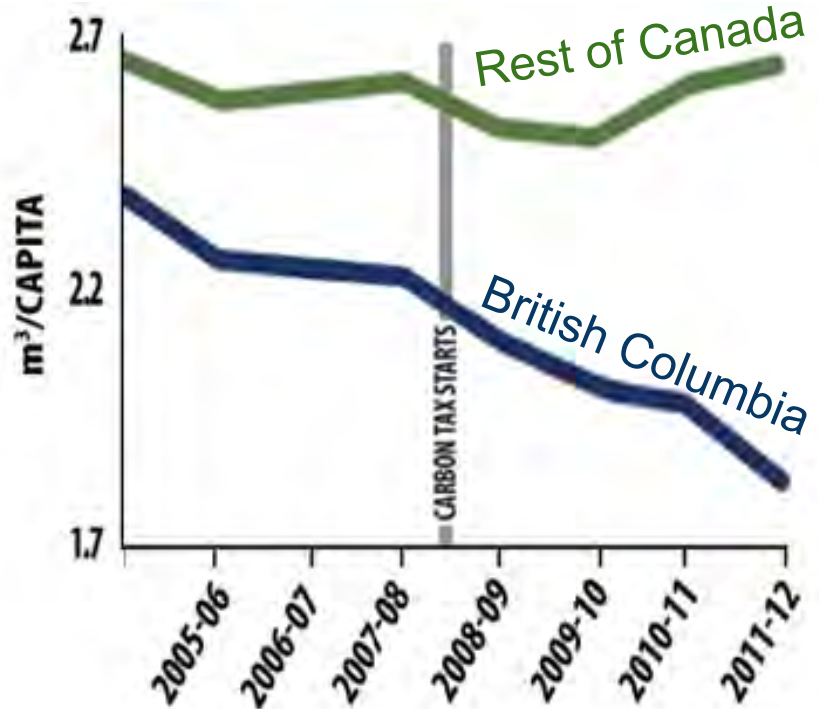
Price Carbon or Pay a Border Tariff



- The cross border adjustments will strongly encourage other countries to follow U.S. leadership
- Some economists believe that if the USA, China and the European Union adopt carbon pricing, then the rest of the world's countries will have to follow

Proven Success in Canada

- Started in 2008
- \$30/ton
- Fuel use down
- GDP up
- Jobs up
- Popular



Source: Statistics Canada, author calculations

Sales of petroleum fuels subject to BC carbon tax

Alternatives to a Carbon Fee

- EPA Regulation
 - The Obama Clean Power Plan only covers coal power plants
 - an effective policy should cover all greenhouse gas emissions
 - EPA regulations can easily be changed by the next President
 - lack of a stable price signal inhibits investment in renewable energy
- Cap & Trade
 - Complex, not transparent
 - 2009 Waxman-Markey bill was 1427 pages
 - lots of lobbying to set the caps on each industry
 - Not resilient to booms and busts
 - European ETS did not handle 2008 recession well

Revenue Neutral Alternatives

- Reduction in corporate tax rates: 35% down to 28%
 - tends to help the whole economy by creating jobs
 - benefits mostly the corporate owners with higher profits
- Reduction in income tax rates
 - tends to give more benefits to the rich than the poor
- Monthly dividend returned equitably to all American households
 - tends to benefit the poor more than the rich
 - the bottom 60% of households will get more back in the dividend than they pay in higher energy costs
 - monthly dividend checks would be very popular, which will provide the long term stability that climate change policy requires

Is Carbon Fee & Dividend Effective in Stopping Climate Change without Damaging the Economy ?

How Will CFD Impact the Economy & Climate Energy?

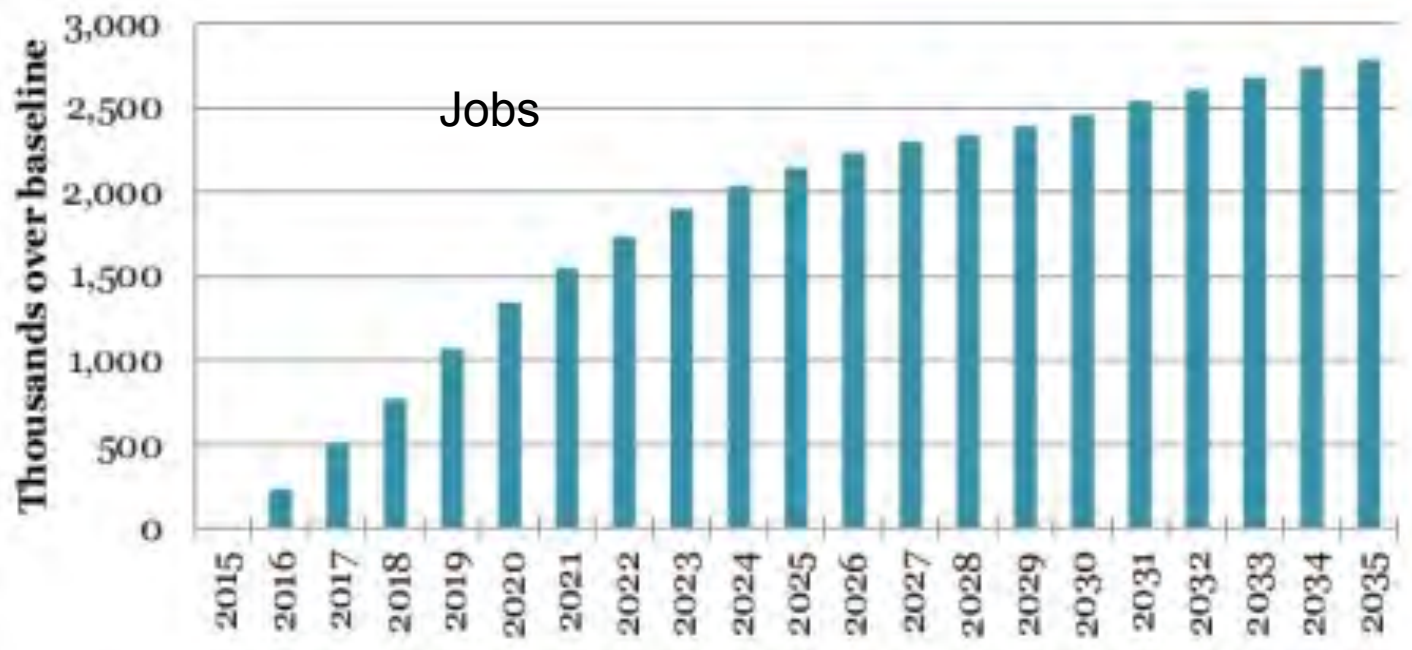
Nationwide study by
Regional Economic
Models, Inc (REMI)



- REMI is a major firm in the business of macro-economic modeling
- In business since 1980
- Clients include: Ernst & Young, MIT, UC Davis, USDA, San Francisco, Atlanta,

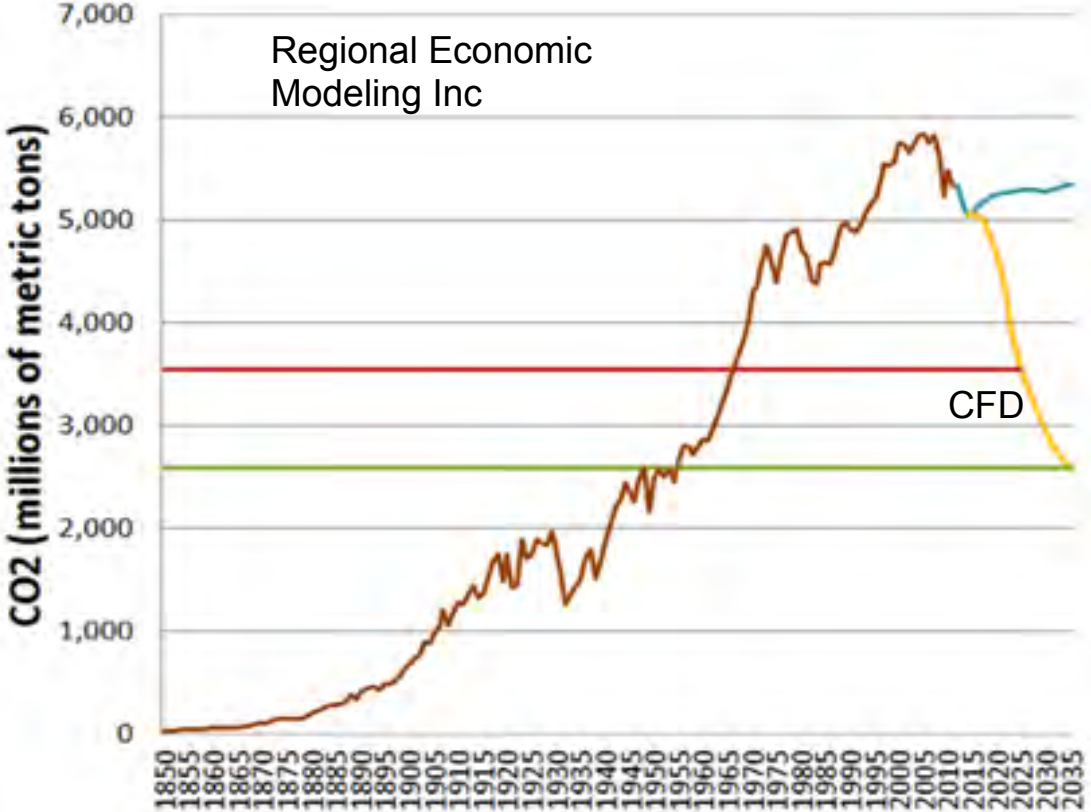
How Will CFD Impact the Economy?

Millions of new jobs will be created



Regional Economic Modeling Inc

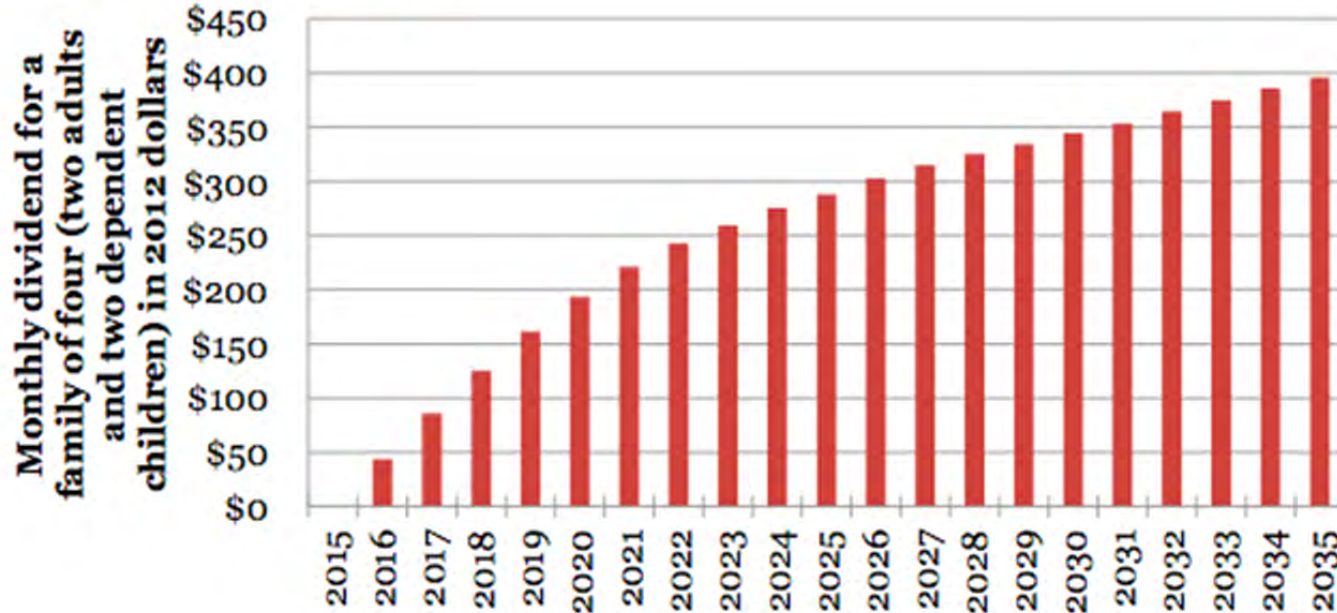
REMI: Rapid US Emission Reductions



REMI: Household Refunds Increase

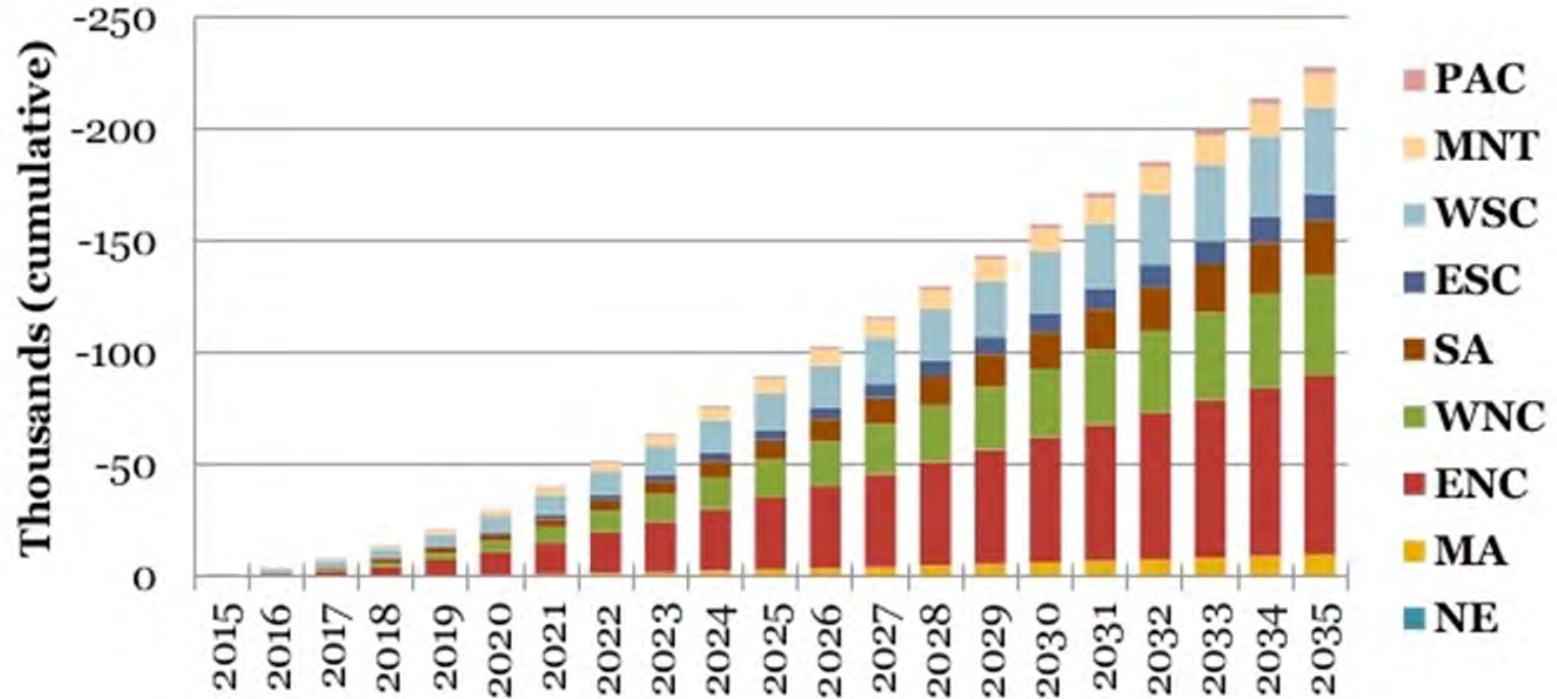
Monthly Dividend by Family

Regional Economic
Modeling Inc



\$400 /mo. (\$4800/yr.) per household in 2035

REMI: 225,000 Lives Saved



Regional Economic
Modeling Inc

Due to avoided air pollution

How do you turn Carbon Fee & Dividend into a National Policy?



CITIZENS CLIMATE LOBBY

POLITICAL WILL *for*
a LIVABLE PLANET

Citizens' Climate Lobby

- Founded in 2007
- 17,000 members
- 267 chapters

Singular Mission

Lobby Congress to pass
Carbon Fee and Dividend



CCL: Methodology

- Focus on solutions
- Instill hope
- Educate constituents
- Develop strong respectful relationships with elected officials
- Build bi-partisan political will to take action on climate change

Citizens' Climate Lobby

Outreach

- Presentations
- Education
- Tabling



Enlist Influencers

- Business/Finance
- Faith leaders
- Agriculture

**Build
political
will**

Media

- Print & TV
- Social media
- Editorial boards



Government

- Liaisons
- Paris COP21
- Local carbon tax

CCL: Progress



CCL: Non-partisan Congressional Briefings



June 2015 - CCL Lobbying Day Washington D.C.

- 900 CCL Volunteers from across the United States
- On their own time and expense
- 500 Meetings with Congressional and Senatorial Offices



What we heard from Congress

- Most surprising result
 - Many Republican members are engaged, and looking for a solution they can support
- Breaking news - Sept. 2015
 - Chris Gibson (R-NY) introduced a resolution for climate action in the House with 10 Republican co-sponsors
- Breaking News - Oct. 2015
 - Senator Kelly Ayotte (R-NH) formed Senate Energy & Environment group to protect the environment and climate with 3 other Republican Senators

What Can You Do to Support CFD?

- Contact your Members of Congress supporting action on climate change and CFD
- Ask CRES to endorse CCL's CFD Proposal
- Write Letters to the Editor and Op-Eds supporting action on climate change and CFD
- Join CCL and help the Boulder chapter to build bi-partisan political will to take action on climate change

The most important thing you can do

Let your Senators & Congressmen hear from you!

- Your **concern about climate change**
- Your support for an **effective national policy to stop climate change**
- A **price on carbon** as the key element of an effective policy
- Write / email / tweet - send the message

It's Up To Us



**IF GOVERNMENTS WILL NOT ACT TO
SAVE THE CLIMATE, THEN PEOPLE WILL.
WE ARE THE LAST GENERATION THAT
HAS THE CAPACITY TO ACT IN TIME.**

Christine Milne, Leader of the Australian Greens

Thank you!

Questions?

www.citizensclimatelobby.org