

Insights into Proposed Cap-&-Trade Systems

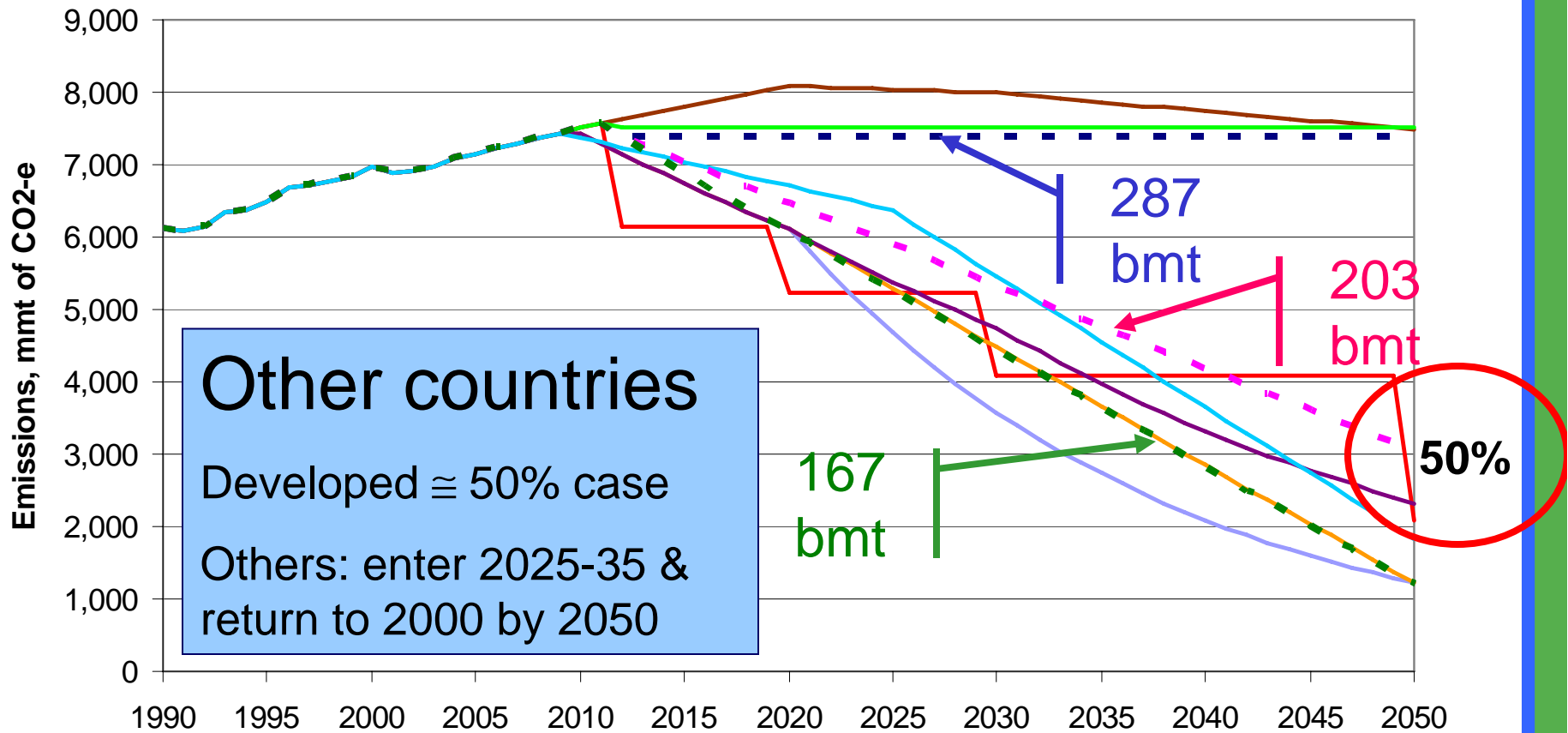
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Joint Program on the Science and Policy of Global Change
Massachusetts Institute of Technology

Director's Conference on Climate Change
Congressional Budget Office
16 November 2007



Allowance Allocation & Core Cases

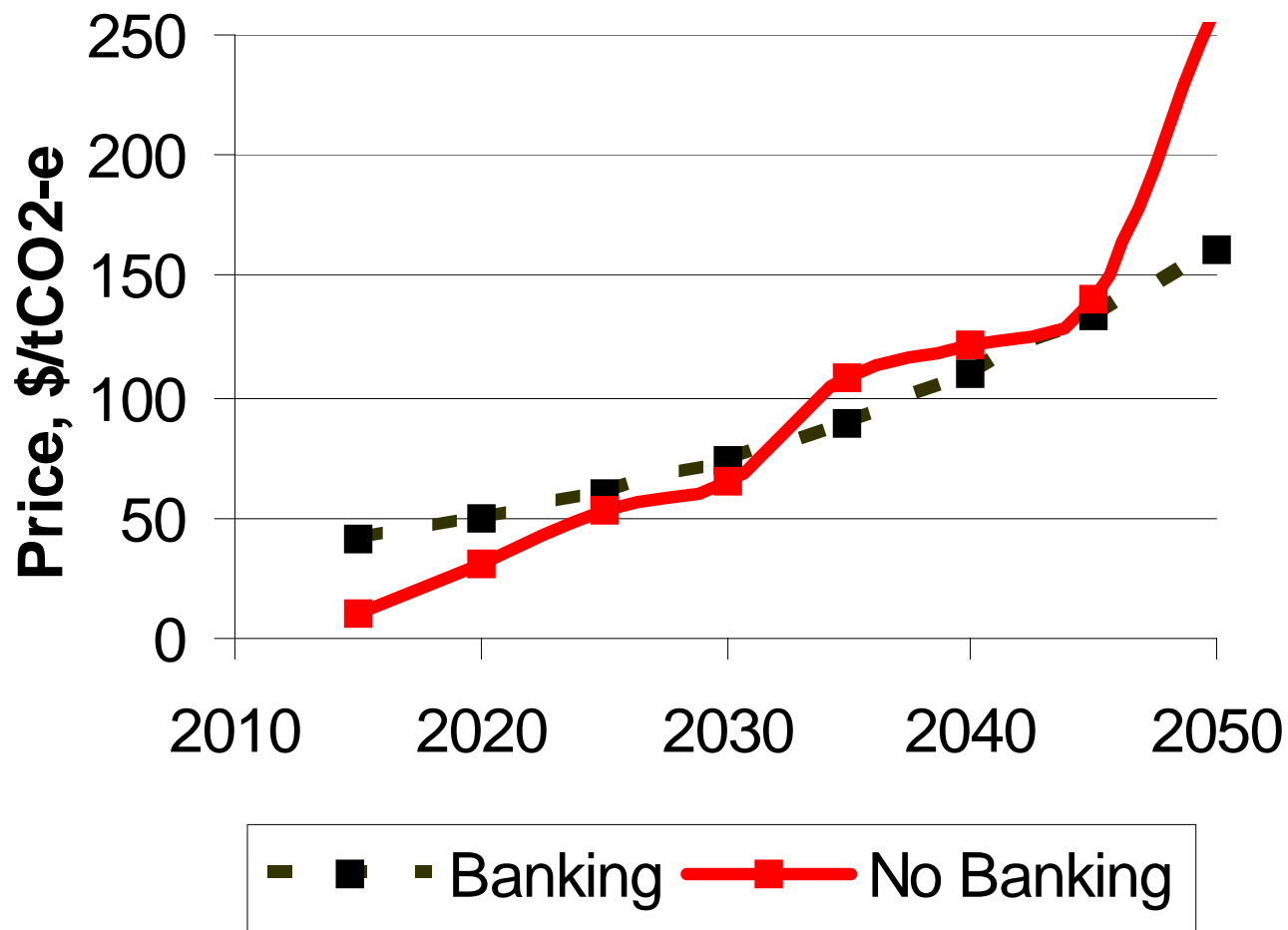


- Bingaman-Specter Draft 2007
- Udall-Petri 2006
- Sanders-Boxer 2007
- Feinstein August 2006
- - - 203 bmt
- - - 287 bmt
- - - 167 bmt
- Lieberman-McCain 2007*
- Waxman 2007
- Kerry-Snowe 2007

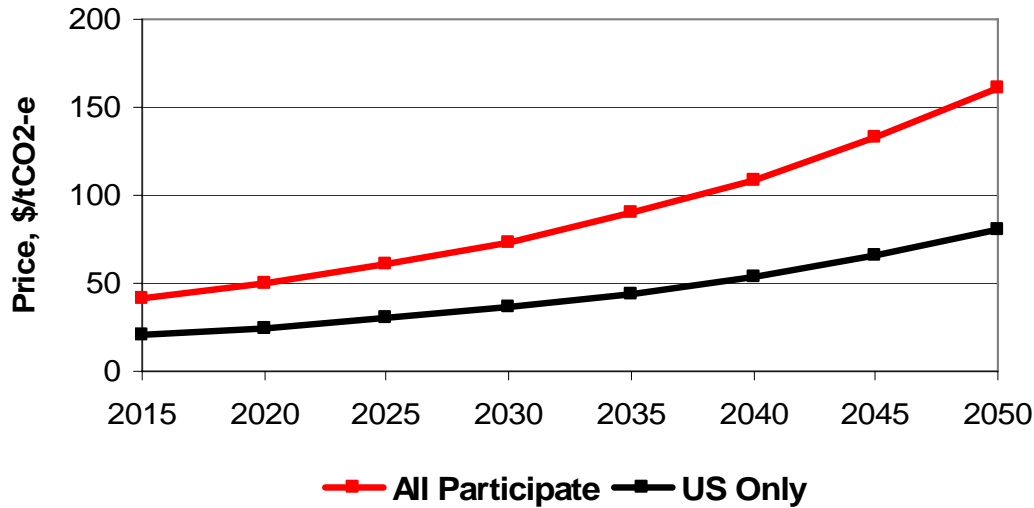
Four Additional Insights

- Potential role of banking behavior
- Importance of trade effects
- Implied scale and pace of change
- Consistency of alternatives with atmospheric stabilization targets

The Role of Banking & Policy Expectations (50% Case)

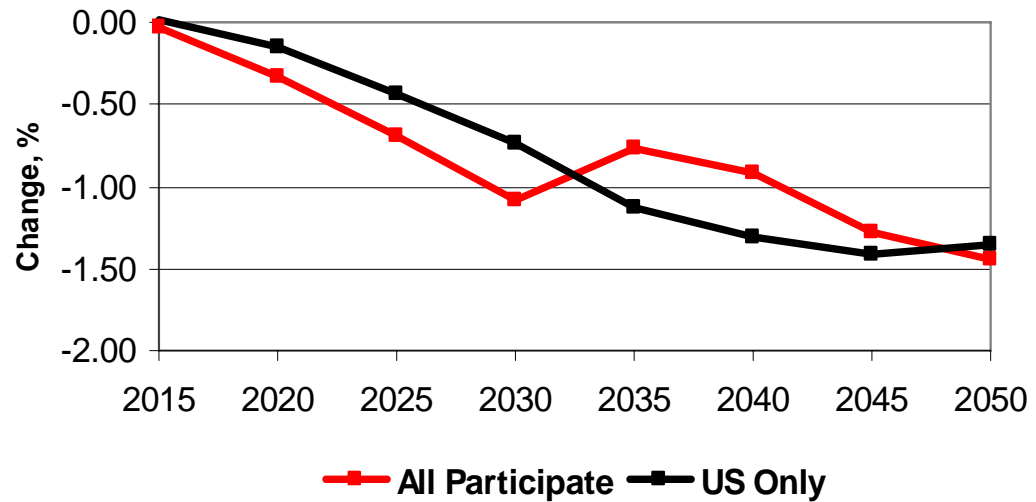


Emissions Price

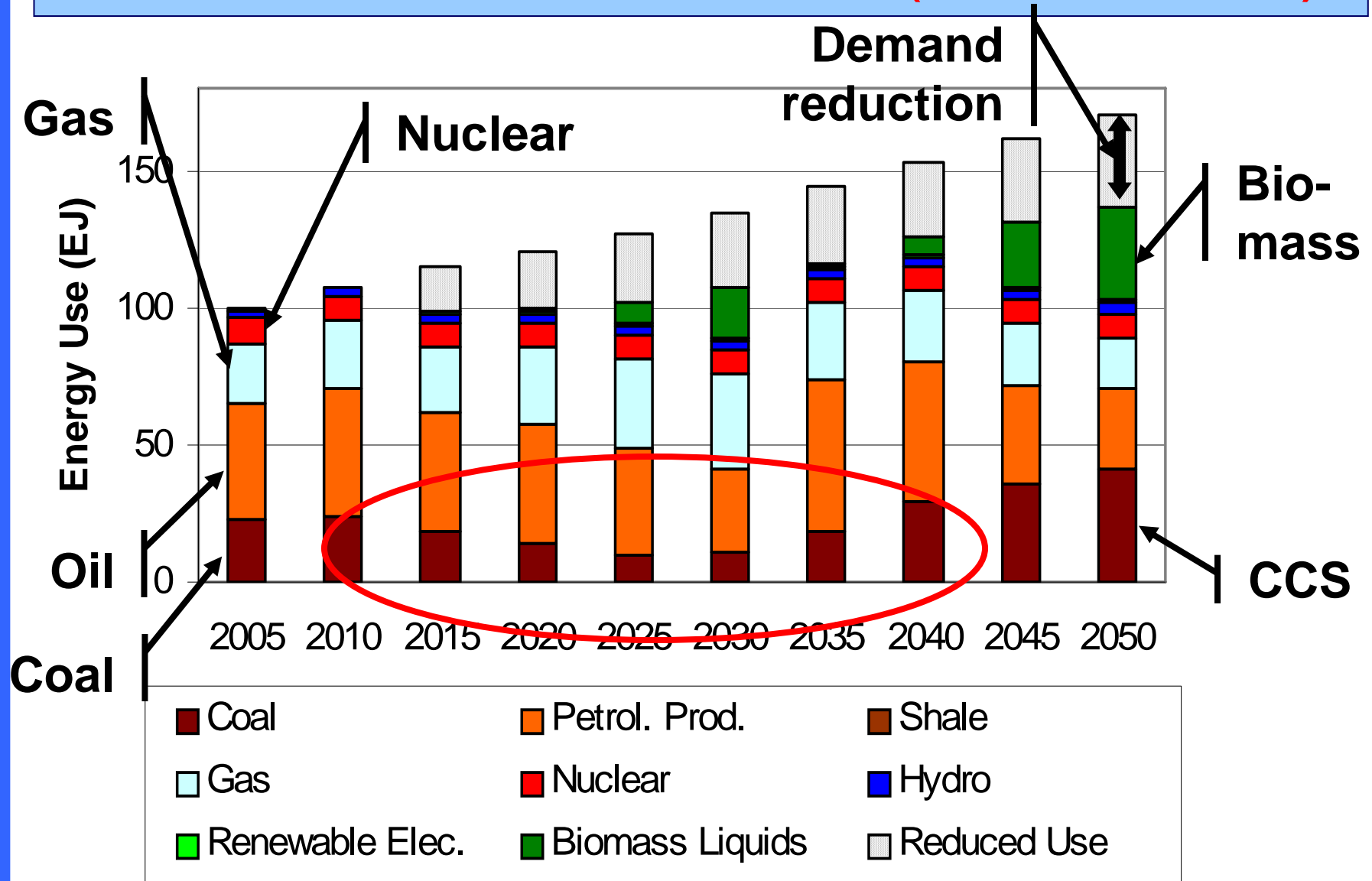


Trade Effects
(50% case)

Lowered Consumption

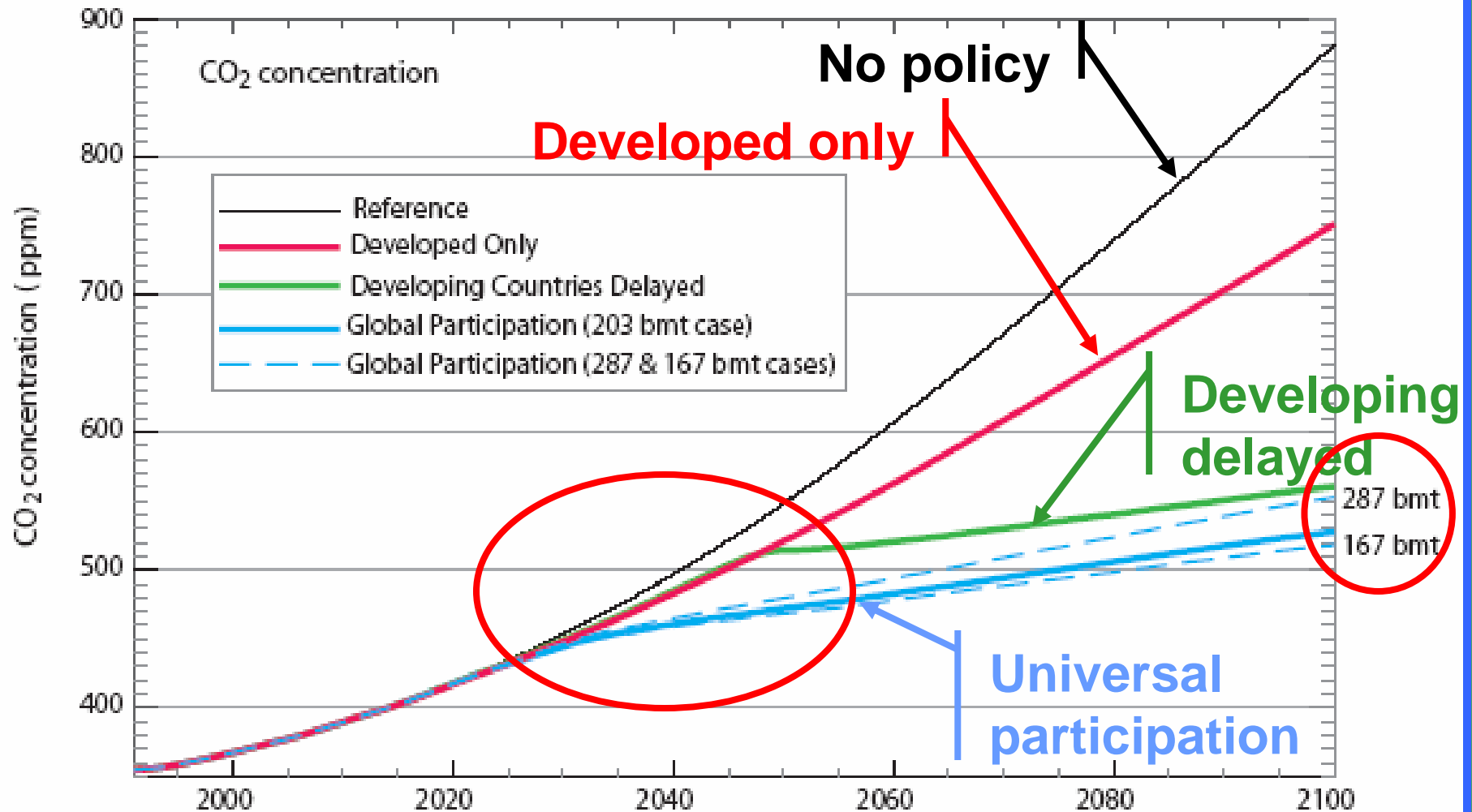


Scale & Pace of Effort (50% Case)



What Matters Most In US Effort?

Extend Cases to 2100 @ 2050 Levels



Thank You!

The assessment is available at
web.mit.edu/globalchange/www/reports.html#pubs

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