

## ADDENDUM

### Household Cost Impacts of the American Clean Energy and Security Act (H.R. 2454)

In the Energy Information Administration's (EIA) analysis of H.R. 2454, several metrics were used to illustrate the impact on household costs. These included cumulative changes, percentage changes and annual changes over time, both discounted and undiscounted. However, the costs per household reported in Figures 34 and 35 in the report, represent simple averages of cumulative discounted costs. In other words, the annual consumption changes per household reported (both undiscounted and discounted) were calculated as the sum of changes divided by the number of years. While this is appropriate when examining the average undiscounted costs, calculating the average annual discounted costs requires the calculation of a constant annual payment that would yield the same discounted cumulative costs over the period examined. The table below presents the annual averages of consumption per household over the 2012 to 2030 period for the main cases in the report, using both the simple annual averages and the properly calculated annualized values.

<b>Average Yearly Change in Consumption per Household from 2012 to 2030</b>			
<b>(2007 Dollars)</b>			
<b>Case</b>	<b>Undiscounted</b>	<b>Present Value @ 4%, Cumulative Changes divided by number of years</b>	<b>Annualized Value</b>
ACESA Basic	-\$122	-\$83	-\$120
ACESA No International	-\$109	-\$76	-\$109
ACESA High Cost	-\$190	-\$124	-\$179
ACESA Zero Bank	-\$95	-\$59	-\$85
ACESA High Offset	-\$137	-\$89	-\$129
ACESA No Int/Limited	-\$435	-\$292	-\$422