

Honorable Chairpersons and Members of the CGA Environment Committee:

I am a retired physical biochemist and have published my Global Warming Blog since retiring. I'm a member of the New Haven Energy Task Force and of the New Haven Environmental Advisory Council, an adjunct of the Board of Alders.

I urge the Committee to approve HB 5363, An Act Establishing A Carbon Price For Fossil Fuels Sold In Connecticut.

Carbon dioxide (CO<sub>2</sub>) is a principal greenhouse gas (GHG) contributing to global warming. There is no natural mechanism for removing it from the atmosphere once emitted, so it keeps accumulating to ever higher concentrations, thereby warming the planet more and more.

To minimize the further increase in temperature humanity must reduce emission rates to near zero as soon as possible. This keeps the accumulated carbon dioxide level low, and minimizes further warming.

The revenue-neutral carbon fee mandated in HB 5363 would represent an important contribution to accomplish this goal. Two important features make this bill economically and politically favorable. 1) Economically, raising the price on carbon-containing fuels will induce consumers to economize and indeed, to implement energy efficiency projects and switch to renewable energy to minimize carbon fuel consumption. 2) The revenue returned to citizens and businesses restores the purchasing power needed to undertake these projects. The results will reduce CO<sub>2</sub> emissions in future years. Furthermore, these projects promote economic activity in the energy economy, to Connecticut's benefit. Finally, ensuring that the program is revenue-neutral (after needed administrative costs) means that the revenues collected are not a tax whose proceeds enter the general fund.

Earlier this year Rhode Island legislators introduced their [HYPERLINK](https://upriseri.com/news/energy/2018-02-01-carbon-pricing-bill/) "https://upriseri.com/news/energy/2018-02-01-carbon-pricing-bill/" Energize Rhode Island: Economic and Climate Resilience Act of 2018. It is a carbon fee program similar to that of HB 5363.

HYPERLINK "<https://www.technologyreview.com/s/609560/surge-of-carbon-pricing-proposals-coming-in-the-new-year/>"Massachusetts has similar proposed legislation under consideration.

The Canadian province of HYPERLINK

"<https://www2.gov.bc.ca/gov/content/environment/climate-change/planning-and-action/carbon-tax>"British Columbia has had a revenue-neutral carbon fee in place since 2008. The provincial website states "From 2007 to 2014, the province has seen a 5.5% decrease in emissions, despite an 8.1% increase in population. And the province's real GDP is up by 12.4% over the same period." Its experience shows that a revenue-neutral carbon fee is effective in lowering emission rates while still permitting economic growth to proceed at a healthy pace.

The Climate Leadership Council, a group of illustrious Republican national leaders,

HYPERLINK

"<https://www.clcouncil.org/media/TheConservativeCaseforCarbonDividends.pdf>"has proposed a revenue neutral carbon fee and dividend program, issued in February 2017. Its members include James A. Baker, III (former Secretary of State and Secretary of the Treasury), Martin Feldstein (former Chairman of the President's Council of Economic Advisers), Henry M. Paulson, Jr. (former Secretary of the Treasury and chairman and CEO of Goldman Sachs), George P. Shultz (former Secretary of State and Secretary of the Treasury), and others. They write "Any climate solution should be based on sound economic analysis and embody the principles of free markets and limited government.... [S]uch a plan could strengthen our economy, benefit working-class Americans, [and] reduce regulations. These benefits accrue regardless of one's views on climate science."

For all these reasons I urge the Committee to approve HB 5363 and support passage in the Connecticut General Assembly.

Respectfully,

Henry E. Auer

42 Academy St. #4

New Haven, CT 06511