Dear Climate Action Council,

I am a retired resident of Albany County, and I am writing to express my strong support for implementing a carbon pricing policy (i.e., a carbon fee and dividend program) in New York State.

First, I want to commend the CAC and all who contributed to development of the Draft Scoping Plan. It is a very well organized and readable document. It presents a comprehensive set of recommendations for how the State can begin to achieve the ambitious goals of the Climate Leadership and Community Protection Act (CLCPA) in various sectors of the economy (Transportation, Buildings, Electricity, Industry, Agriculture and Forestry, and Waste). However, it fails to make specific recommendations for cross-sector or Economy-wide Strategies (Chapter 17). **I urge the CAC to recommend carbon pricing (preferably carbon fee and dividend) as a foundational policy in the Final Scoping Plan.**

As currently written, the Draft Scoping Plan recommends countless prescriptions for sector-specific actions that would incrementally reduce greenhouse gas (GHG) emissions in New York State. However, even if every single action prescribed were implemented in a timely manner (by the NYS Legislature, State agencies, utilities, and others), the integrated analysis shows that we would not achieve the goals mandated by the CLCPA. **Economy-wide carbon pricing is essential to meet the CLCPA goals.**

The Intergovernmental Panel on Climate Change (IPCC), along with countless other economists, scientists and energy experts, all agree that carbon pricing is the single most effective and efficient policy to quickly reduce emissions of greenhouse gasses. A carbon tax that reflected the true societal cost of burning fossil fuels would help speed up the transition to renewable energy by providing a market-based incentive for organizations and individuals to reconsider their energy sources and consumption habits. Adopting a single, simple policy on carbon pricing could achieve greater reductions in emissions than would be achieved by many other policies combined.

The CAC and others are rightfully concerned about impacts of a carbon tax on consumers, and the political pushback to higher energy prices at a time of high inflation. However, they should be equally concerned about the growing costs to taxpayers of mitigating and repairing the impacts of continued burning of fossil fuels – including rising sea level, more severe storms and inland flooding, and public health effects of air pollution, especially in urban communities. **The solution to those concerns is to return most of the revenues from a carbon fee to low- and middle-income households, and perhaps certain small businesses, to offset higher energy costs.** The IPCC also noted the importance of coupling carbon pricing with cash rebates to help ensure that low-income households are not unduly burdened by efforts to address the climate crisis and to ensure the policy remains popular. The remainder of the revenues could be used to help fund other important initiatives in the draft scoping plan (e.g., subsidies for electrification and energy efficiency programs).

Concerns about impacts of a carbon tax or fee can be further mitigated by having it start low and rise gradually each year. This, along with returning revenue to households, would provide people and businesses reasonable time to transition to cleaner energy sources in response to clear, predictable pricing signals. Starting off at too high a price will undoubtedly result in strong political opposition to this and other important policies in the draft scoping plan. Starting with a relatively low price allows time for consumer education and adaptation that more reasonably reflects their ability to modify their energy consumption habits (e.g., the vehicles and tools they use, how they heat their homes and businesses, etc.).

A carbon fee is preferred over other alternatives by many businesses and consumers because it is relatively simple, straightforward, non-regulatory, and more price-certain over time. A carbon tax applied at the relatively few sources of fossil fuels derived in or imported into New York could be enacted and implemented fairly easily. It would also avoid the need to develop and administer a complex system of regulations for sector-based emissions credits; the latter would require calculation, permitting, and compliance monitoring of emissions by literally thousands of businesses in New York State.

Finally, I would caution against carbon pricing for just the electricity sector, as currently exists through the Regional Greenhouse Gas Initiative (RGGI). Without an economy-wide price on carbon, electricity costs will be higher than fossil energy costs for other sectors, which would slow adoption of renewables for such things as electrification of buildings (e.g., heat pumps) and transportation (i.e., zero-emission vehicles).

Thank you for the outstanding work that went into the Draft Scoping Plan and for the opportunity to comment on that impressive document**. I wish you much success in finalizing the plan, and hope that it will include a specific recommendation for economy-wide carbon pricing that the public can understand and support.**

Sincerely, Bryan Swift, Altamont

April 24, 2022