Dan Miller, Managing Director of the Roda Group, hosted a discussion at **OurEnergyPolicy.org** (OEP) on a carbon fee and dividend plan. Here is a snapshot of the perspectives offered by OEP's diverse community of vetted experts.

Question: Will the Carbon Dividends Plan be more effective than direct regulation of emissions?

To read the full discussion, please visit: **OurEnergyPolicy.org**.

Key Points: A Carbon Dividends Plan

Carbon Fee & Rate Structure:	"[W]ho decides what the tax rate will be?" – **Bill Klun**, Senior Advisor, MJ Beck Consulting "[T]he rate is determined *a priori*... With CDP, the price starts at $40/ton but keeps going up every year until it reaches $100/ton and beyond." – **Dan Miller**, Managing Director, The Roda Group "The Climate Leadership Council is calling for carbon fees starting at $40 per ton and rising over time" – **Henry Goldberg**, Consultant, Independent "Initially, at a low Carbon Dividend, there will be some movement as the signal will be in place. The big movement will come in the later years when the Carbon Dividend ramps to something commensurate with a $100 – $200 a ton Carbon Fee." – **Alex Fassbender**, CEO, EcoVia Corporation
Disbursement of Dividends:	"100% of the proceeds are distributed to every legal resident on an equal basis (in some versions of the policy, there are ½ credits for up to 2 children). So, take the total amount collected and divide by the number of legal residents and that is how much everyone gets." – **Dan Miller**, Managing Director, The Roda Group "The Carbon Dividends plan will subject illegal aliens and fugitives to an unavoidable tax. Making the receipt of a dividend dependent on having a valid visa, permanent resident status or U.S. citizenship as well as a pulse and an address eliminates others without the needed attributes." – **Alex Fassbender**, CEO, EcoVia Corporation "[W]e have a strong desire in Congress for tax reform, and carbon fees could scratch that itch by providing the needed revenues. If combined with a dividend, a hybrid approach might actually be both achievable and long lasting." – **William Eacho**, Co-Founder, Partnership for Responsible Growth

Clean Energy Infrastructure:	"[T]he clean-energy infrastructure is not in place to enable mass substitution away from fossil fuels. Consumers cannot shift away from oil-based transportation if there are not efficient manufacturing systems producing low-cost electric vehicles, ubiquitous multi-fuel service stations to charge electric vehicles and dispense alternative fuels, or high-speed broadband Internet infrastructure to enable substitution of transportation by telecommunications." – **Henry Goldberg**, Energy Consultant, Independent
Clean Energy Technology:	"[T]he central issue really is the development of 'clean' energy technologies that are cheaper than coal. With those solutions available, regulatory contrivances like taxes or dividends or permits are unnecessary…Emissions regulation schemes are neither effective nor politically feasible." – **Lewis Perelman**, Principal, Perelman Group
External Costs of Fossil Fuels:	"The external costs of fossil fuels are enormous and the initial $40/ton fee won't come close to covering them. The calculations for the "Social Cost of Carbon" don't include the costs of losing most of populated regions of Florida and major coastal cities, mass extinctions, etc. But with all the money going back to the public, the CDP fee can rise high enough to create real incentives to lower emissions dramatically." – **Dan Miller**, Managing Director, The Roda Group
Emissions Reductions:	"A carbon tax brings us certainty of price, but, unlike cap-and-trade, it does not give us certainty about what the reductions in emissions would be, and hence it would be difficult to use the fee as a way of meeting the Paris goals for emission reduction. I am also concerned about how mobile sources would be treated; these sources account for almost one-third of America's emissions of greenhouse gases." – **Craig Oren**, Professor, Rutgers School of Law–Camden
Carbon Dividends Plan vs. Cap and Trade:	"Cap and trade addresses the two glaring deficiencies of tax and dividend: compliance costs reflect the true costs (not arbitrarily estimated ones) and proceeds are 'transferred' from those out of compliance to those in compliance. No one in the middle, no arguing AND it does not become an additional revenue source to raid." – **Bill Klun**, Senior Advisor, MJ Beck Consulting "Cap and Trade works great theoretically but does not work well in reality. In Europe, the recession crashed the price for carbon allowances, for example. And while Cap and Trade theoretically sets a ceiling for emissions, it also sets a floor for emissions! CDP will likely lead to larger and faster reductions in emissions for a number of reasons, including the certainty of the price and the fact that the price doesn't drop if emissions drop. – **Dan Miller**, Managing Director, The Roda Group