

**Carbon Revenue Project, Fall 2016**  
**a Research Program at the Center on Global Energy Policy**  
**at Columbia University's School of International and Public Affairs**

Fall, 2016

*Research Paper on the Effects of Carbon Pricing on Coal Workers and Communities*

## **The Center on Global Energy Policy**

The Center on Global Energy Policy is part of the School of International and Public Affairs at Columbia University. Its mission is to improve the quality of energy policy and energy dialogue through objective, balanced, and rigorous analysis.

In order to foster an informed and moderate dialogue and provide independent analysis, the Center:

- Produces policy-relevant research on economic and geopolitical issues relevant to the global energy market;
- Is a leading venue for high-profile public discussions of current energy issues;
- Convenes senior-level leaders from government, the private sector, and NGOs for private, off-the-record conversations; and
- Trains the next generation of energy thought leaders, executives, and policy officials.

## **Project Description**

Economists have long considered a carbon tax to be the preferred strategy for addressing global climate change. Taxing carbon dioxide (CO<sub>2</sub>) and other greenhouse gas (GHG) emissions can help avoid future economic costs from a changing climate while raising revenue that can be used for economically beneficial purposes. While there is no consensus about the best way to use the revenue, among economists a carbon tax has attracted bipartisan support.

While the merits of a carbon tax are clear, the politics are challenging. Raising taxes and raising energy prices are two things Americans generally frown upon, and a carbon tax does both. Recent developments, however, may create a window of opportunity for serious consideration of a carbon tax in the years ahead: the sharp decline in oil prices since mid-2014, a growing desire for corporate income tax reform within the business community and among Congressional Republicans, a regulatory agenda for reducing GHG emissions that is growing in size and scope, and the recent call from six European oil and gas majors for a carbon tax. For a carbon tax to be seriously considered, however, policymakers and stakeholders will need to better understand the design options available and their respective environmental, energy market, and economic impacts, including how a carbon tax would interact with existing energy, environmental and tax policy at the state and national level. The Center for Global Energy Policy (CGEP) proposes a major research initiative to answer such questions in a market and policy-relevant manner.

The Center on Global Energy Policy is initiating a new project examining the establishment of a carbon tax. As part of that project, the Center is conducting the following studies and publishing papers, each of which will examine important issues related to establishment of a carbon tax.

## Request for Proposal, Scope of Work, and Award Process

The Center wishes to engage a consultant to perform the analysis for and author a paper described below:

***Worker and Community Transition Assistance:*** A carbon tax will reduce demand for coal, and will have a significant effect on U.S. coal companies, coal miners, and the communities in which they live. It will exacerbate pressure they already face from decades of mechanization in the coal industry, low-cost natural gas as a competitor to coal, and generally weak domestic electricity demand growth. Taking into account the effect that a carbon tax analyzed in the other papers that are part of the initiative, this paper will explore the outlook for coal workers and the communities in which they live. It will then examine the issue and outline policies that might help mitigate the effect of a carbon tax on these individuals and communities, and help them adjust to a reduced demand for coal that might be one of the effects of a carbon tax.

The consultant will prepare a draft paper. The consultant also will work closely with the Center and its other partners in the project so that its general assumptions and approach is consistent with work performed by other researchers who are as a part of the project. The consultant also will participate briefings and meetings after publication of the paper to share the results of the analysis and assist in the preparation of materials for those meetings.

Proposals are due November 9, 2016. The target hire date is November 30, 2016.

Final deliverable will be a complete paper to be published as part of the Center's project, and agreed upon participation in briefings and meetings after publication of the paper to share the results of the analysis. The Center will retain final editorial control over the paper.

### Proposals should be submitted to:

Jesse McCormick  
Associate Director  
Center on Global Energy Policy  
Columbia University  
(212) 851-0188  
jmccormick@sipa.columbia.edu

Consultants are encouraged to ask questions or set up a meeting to discuss project details any time before the proposal due date.

All responses to this RFP are due no later than **November 9, 2016**

### Proposals must include:

- Company background information / brochure
- Bios of key team personnel
- Overview of the company's capabilities and core competencies.
- Sample list of clients for engagements of a similar scope

- Approach to the project with sufficient detail on proposed tasks, procedures and timelines for deliverables.
- Detailed budget

**Selection Criteria:**

The Center will consider the following in selecting its partners:

- Consultant's experience in energy and environmental policy;
- Consultant's ability to undertake the required modeling and to work with other Center partners who will undertake other related modeling projects as part of the overall project;
- Consultant's ability to present results of analysis in a draft paper to be published by the Center;
- Consultant's staff on the project, work samples, references and budget estimate.

**CONTACT**

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