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The House Natural Resources Committee held a hearing on July 22 to assess a proposed standard from the Environmental Protection Agency known as the social cost of carbon (SCC or SC-CO₂). The measure accounts for economic damages associated with changes in carbon dioxide (CO₂) emissions by applying a dollar amount per ton of carbon emitted. However, Republicans have criticized the move for using, as Chairman Rob Bishop (R-UT) put it, “arbitrary inputs” and speculation in its calculation. The SCC projects future impacts of carbon to 2300, analyzing the costs associated with rising sea levels, human health effects, and agricultural productivity changes. Dr. Kevin Dayaratna of the Heritage Foundation and Republicans on the committee criticized the scope of time considered in the analysis as “unreasonable” for present energy regulations. Scott Segal of the industry law firm Bracewell & Giuliani said that the models used for the SCC should be a “dispassionate economic assessment” without “ethical considerations” regarding future generations.

House Democrats, meanwhile, emphasized the need for the SCC to protect vulnerable and low income communities. Rep. Alan Lowenthal (D-CA) cited economic studies saying that not accounting for climate change has “created a market failure,” meaning not enough goods and services have been allocated to mitigate global warming’s effects. Minority witness Dr. Michael Dorsey of the Joint Center for Political and Economic Studies added that the SCC should in fact be higher since it does not account how different areas of the country will be affected.

The EPA intends to incorporate the SCC metric into current rules and regulations, including the National Environmental Protection Act and the proposed Clean Power Plan.

Sources: House Natural Resources Committee, E&E News, Environmental Protection Agency

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