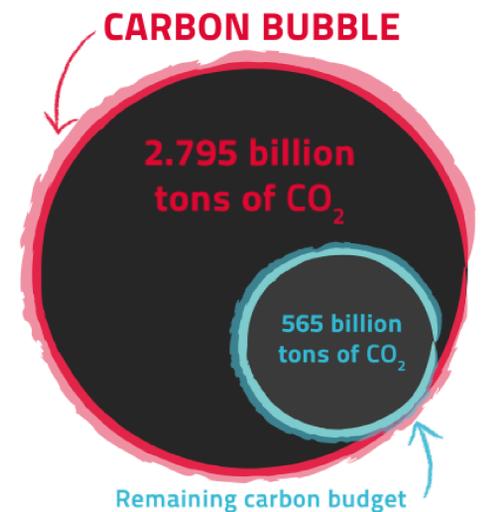


Carbon Pricing at Swarthmore

Why carbon pricing?

Climate change poses a grave threat to people's health and survival. To avert the worst impacts and keep warming below 2°C, we must keep over 80% of currently profitable fossil fuel reserves in the ground. A price on carbon, levied on fossil fuel extraction and import, is a fair, feasible, and effective policy solution that could make 80% of fossil fuels unprofitable to extract.



Source: Carbon Tracker Initiative 2013 / PIK Potsdam Institut für Klimafolgenforschung
Illustration: Felix Müller (www.zukunft-selbermachen.de) Licence: CC-BY-SA 4.0

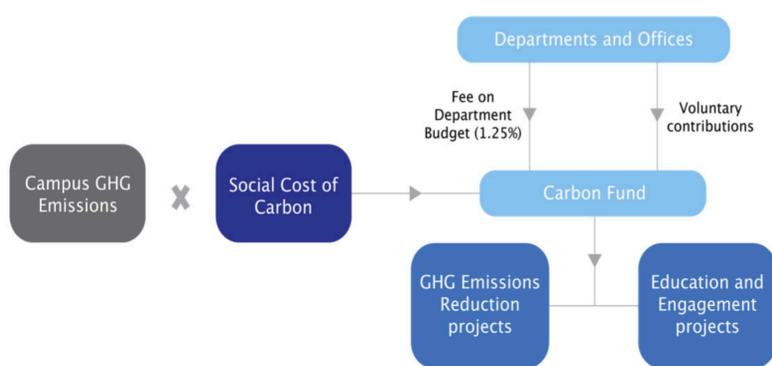
The Carbon Charge Program

Program Objectives

To model a price at the college scale, Swarthmore established its Carbon Charge in 2016 with four goals:

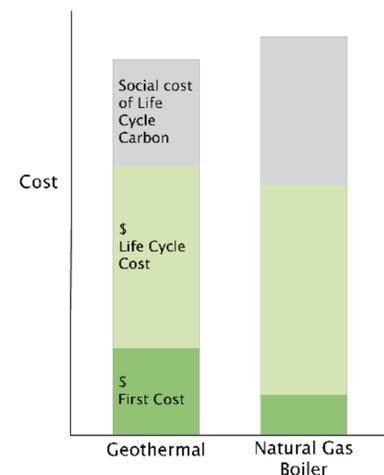
- Educate the community about carbon pricing solutions
- Incentivize emission reductions
- Provide capital for emission reduction projects
- Build momentum for state and national pricing policies

Charge on Departments



The charge is levied on departments for the College's emissions. Total emissions are multiplied by \$26/ton CO₂e to find the total charge, which departments pay in proportion to budget size. In the first year, the charge made up 1.25% of the operating budget, so each department had a line item charge for 1.25% of their approved budget. Departments make voluntary additional contributions to reflect a higher social cost of carbon and/or higher department emissions. The Carbon Charge Committee allocates revenue to campus sustainability projects.

Shadow Price



The shadow price provides a framework for incorporating the negative impacts of Swarthmore's carbon emissions into cost-benefit analyses. With the shadow price, the College makes decisions and performs life cycle cost analysis as though it would have to pay \$100 per ton CO₂e emitted. The framework helps most efficiently allocate limited resources to emission reduction strategies. The shadow price has been applied to renewable energy, district heating system options, efficiency projects, procurement selection, and building construction.

A Platform For Engagement

The Carbon Charge Program has opened opportunities for engagement on campus and with other schools.

On Campus

- Swarthmore's President co-signed a letter calling on elected officials to put a price on carbon
- Department decisions about voluntary contributions have launched carbon reduction initiatives
- Students started a Put A Price On It Chapter to advance carbon pricing
- The program has hosted dozens of lectures, workshops, forums, screenings, panels, and webinars to engage the campus in climate policy solutions



Higher Ed Community

- Swarthmore co-authored the Higher Education Internal Carbon Pricing Toolkit, that includes case studies, resources, and guides for launching a new internal carbon pricing program.
- Learn more at bit.ly/HECarbonPricingToolkit

