

MIT Joint Program on the Science and Policy of Global Change



Global Health and Economic Impacts of Future Ozone Pollution

*Noelle E. Selin, Shiliang Wu, Kyung-Min Nam, John M. Reilly, Sergey
Paltsev, Ronald G. Prinn and Mort D. Webster*

**Report No. 177
August 2009**

The MIT Joint Program on the Science and Policy of Global Change is an organization for research, independent policy analysis, and public education in global environmental change. It seeks to provide leadership in understanding scientific, economic, and ecological aspects of this difficult issue, and combining them into policy assessments that serve the needs of ongoing national and international discussions. To this end, the Program brings together an interdisciplinary group from two established research centers at MIT: the Center for Global Change Science (CGCS) and the Center for Energy and Environmental Policy Research (CEEPR). These two centers bridge many key areas of the needed intellectual work, and additional essential areas are covered by other MIT departments, by collaboration with the Ecosystems Center of the Marine Biology Laboratory (MBL) at Woods Hole, and by short- and long-term visitors to the Program. The Program involves sponsorship and active participation by industry, government, and non-profit organizations.

To inform processes of policy development and implementation, climate change research needs to focus on improving the prediction of those variables that are most relevant to economic, social, and environmental effects. In turn, the greenhouse gas and atmospheric aerosol assumptions underlying climate analysis need to be related to the economic, technological, and political forces that drive emissions, and to the results of international agreements and mitigation. Further, assessments of possible societal and ecosystem impacts, and analysis of mitigation strategies, need to be based on realistic evaluation of the uncertainties of climate science.

This report is one of a series intended to communicate research results and improve public understanding of climate issues, thereby contributing to informed debate about the climate issue, the uncertainties, and the economic and social implications of policy alternatives. Titles in the Report Series to date are listed on the inside back cover.


Henry D. Jacoby and Ronald G. Prinn,
Program Co-Directors

For more information, please contact the Joint Program Office

Postal Address: Joint Program on the Science and Policy of Global Change
77 Massachusetts Avenue
MIT E19-411
Cambridge MA 02139-4307 (USA)

Location: 400 Main Street, Cambridge
Building E19, Room 411
Massachusetts Institute of Technology

Access: Phone: +1(617) 253-7492
Fax: +1(617) 253-9845
E-mail: globalchange@mit.edu
Web site: <http://globalchange.mit.edu/>

 Printed on recycled paper

Global Health and Economic Impacts of Future Ozone Pollution

Noelle E. Selin^{*◇}, Shiliang Wu[†], Kyung-Min Nam[‡], John M. Reilly^{*}, Sergey Paltsev^{*}, Ronald G. Prinn^{*} and Mort D. Webster^{*}

Abstract

We assess the human health and economic impacts of projected 2000-2050 changes in ozone pollution using the MIT Emissions Prediction and Policy Analysis-Health Effects (EPPA-HE) model, in combination with results from the GEOS-Chem global tropospheric chemistry model that simulated climate and chemistry effects of IPCC SRES emissions. We use EPPA to assess the human health damages (including acute mortality and morbidity outcomes) caused by ozone pollution and quantify their economic impacts in sixteen world regions. We compare the costs of ozone pollution under scenarios with 2000 and 2050 ozone precursor and greenhouse gas emissions (SRES A1B scenario). We estimate that health costs due to global ozone pollution above pre-industrial levels by 2050 will be \$580 billion (year 2000\$) and that acute mortalities will exceed 2 million. We find that previous methodologies underestimate costs of air pollution by more than a third because they do not take into account the long-term, compounding effects of health costs. The economic effects of emissions changes far exceed the influence of climate alone.

Contents

1. INTRODUCTION	1
2. MODEL DESCRIPTION	2
2.1 Atmospheric model	2
2.2 Human health and economic model	3
3. POPULATION-WEIGHTED OZONE CONCENTRATIONS	5
4. HEALTH OUTCOMES	7
5. ECONOMIC COSTS OF HEALTH IMPACTS	9
6. POLICY IMPLICATIONS AND CONCLUSIONS	11
7. REFERENCES	12
APPENDIX A	15

1. INTRODUCTION

Tropospheric ozone is an air pollutant that causes adverse human health impacts. Increasing industrialization without emissions controls will increase releases of chemical precursors to ozone, such as nitrogen oxides (NO_x) and volatile organic compounds (VOCs). Changes in climate, including increasing temperature and other changing meteorological variables, have a complex effect on ozone concentrations (Mickley, 2007). Previous studies have explored the impacts of future emissions and climate on surface ozone concentrations using climate and chemical transport models. We apply these results to an economic model to assess the potential future health and economic damages of ozone due to changing emissions and climate in 2050.

^{*} Joint Program on the Science and Policy of Global Change, Massachusetts Institute of Technology, Cambridge, MA, USA.

[◇] Corresponding Author: Noelle E. Selin (Email: selin@mit.edu)

[†] Atmospheric Science Program, Department of Geological and Mining Engineering and Sciences and Department of Civil and Environmental Engineering, Michigan Technological University, Houghton, Michigan, USA.

[‡] Department of Urban Studies and Planning, Massachusetts Institute of Technology, Cambridge, MA, USA.

Previous research has projected the influence of both climatic change and future emissions under a variety of scenarios on surface ozone levels in the United States and elsewhere (Wu *et al.*, 2008a,b; Hogrefe *et al.*, 2004; Racherla and Adams, 2006; Murazaki and Hess, 2006; Racherla and Adams, 2009). While there is substantial variability among models of the climate impact of ozone, most models predict a decrease in surface ozone background due to the effect of water vapor, and surface ozone increases of 1-10 ppb driven primarily by temperature in polluted mid-latitude regions (Jacob and Winner, 2009). For example, Racherla and Adams (2006) used a global climate model to project a 5% decrease in the global tropospheric ozone burden under the Intergovernmental Panel on Climate Change (IPCC) SRES A2 scenario, but an increase of 1-5 ppb in some polluted regions including the eastern United States.

Related studies have quantified the impacts of present and future ozone pollution on human health (Bell *et al.*, 2007, West *et al.*, 2007, Knowlton *et al.*, 2004). West *et al.* (2007) examined the effects of future changes in global ozone under three different emissions scenarios on premature mortalities, and calculated up to 460,000 reduced mortalities with a Maximum Feasible Reduction (MFR) scenario compared to the SRES A2 scenario. Bell *et al.* (2007) calculated an average of 0.31% increase in cardiovascular disease mortality under the SRES A2 scenario for the 2050s. In general, studies have projected increases in morbidity and mortality from tropospheric ozone (Ebi and McGregor, 2008).

Previous efforts to estimate the potential future economic impacts of ozone-related health damages have multiplied concentrations by exposure-response factors to determine number of cases or deaths, and then imposed a cost per case calculated by a variety of methods including willingness-to-pay data (Bell *et al.*, 2008). West *et al.* (2007), for example, calculated the global economic benefit of a ~1 ppb ozone decrease by multiplying the number of avoided mortalities by a value of a statistical life. A few recent studies have used a more detailed economic modeling approach to assess the feedbacks of pollution damages onto the economy (Holland *et al.*, 1998, Mayeres and Van Regemorter, 2008).

Here, we go beyond previous analyses by applying a computable general equilibrium (CGE) economic modeling approach to assess damages from future health impacts of ozone, using results from an atmospheric chemical transport/general circulation model analysis of the effects of 2000-2050 emissions and climate change on global surface ozone. The CGE modeling approach goes beyond previous studies by taking into account that economic damages accumulate over time due to resource diversions for health care, including both morbidity and mortality due to ozone exposure, and accounting for the increasing value of lost work and leisure time as incomes and productivity rise. We use these results to calculate global direct and indirect costs of present and potential future health damages from ozone pollution.

2. MODEL DESCRIPTION

2.1 Atmospheric model

We use results for 2000 and 2050 ozone concentrations from Wu *et al.* (2008a, 2008b), for which both climate and ozone precursor emissions are based on the IPCC A1B scenario (IPCC

2001). Climate changes are simulated by the NASA/GISS GCM 3 (Rind *et al.*, 2007) and are used to drive the GEOS-Chem Chemical Transport Model (CTM) as described by Wu *et al.* (2007). In the A1B scenario, emissions of fossil fuel NO_x decrease in developed countries (-40% in the United States) but increase by 90% globally. Detailed emissions for other ozone precursors from both anthropogenic and natural sources are given in Wu *et al.* (2008a). Annual mean afternoon (1300-1700h local time) ozone, a metric comparable to daily maximum 8-hour average ozone, is archived for three-year climatic periods. Four cases are used: (1) year 2000 ozone precursor emissions and climate; (2) 2000 precursor emissions and 2050 climate; (3) 2050 precursor emissions and 2000 climate; and (4) 2050 precursor emissions and 2050 climate. This scenario design allows diagnosis of ozone changes due to only precursor emission changes, only climate change, and combined changes as the difference between these simulations.

2.2 Human health and economic model

We use the MIT Emissions Prediction and Policy Analysis (EPPA) model (Paltsev *et al.*, 2005) with extensions to value health impacts of ozone (EPPA-Health Effects or EPPA-HE) (Matus *et al.*, 2008). EPPA is a CGE model of the world economy. EPPA-HE has previously been applied to assess the benefits of the U.S. Clean Air Act (Matus *et al.*, 2008), the costs of historical air pollution in China (Matus, 2005), and the costs of air pollution and potential benefits of regulation in the European Union (Nam *et al.*, 2009).

Briefly, the model calculates health impacts and related costs to the economy (lost labor, services, and leisure time) for a given mean concentration of pollutant in each of sixteen world regions (**Figure 1**). The model takes as input the population-weighted concentration in each region, and calculates cases and associated costs using a five-year time step. Resources devoted to health care become unavailable to the rest of the economy, and labor and leisure time lost as a result of illness or death is valued at prevailing wage rates. A full description of the economic assumptions of the EPPA-HE model is presented by Matus *et al.* (2008). The EPPA reference scenario, used here for economic analysis, is consistent with an economy that produces global greenhouse gas emissions within 15% of A1B emissions to 2050.

Table 1 shows the exposure-response functions used to link ozone concentrations to health outcomes in EPPA-HE, and related economic costs in Europe and in China. Following Bickel and Friedrich (2005), we specify these functions and related costs in (year 2000) \$ for the European region. For other developed regions, costs are adjusted using purchasing power parity (PPP) (Heston *et al.*, 2002) For developing regions, we use cost estimates developed for China (Matus 2005) and adjust costs for other developing country regions based on PPP relative to China. All endpoints are considered linear without a threshold, consistent with data from Bell *et al.* (2006) that even low levels of ozone are associated with increased risk of mortality. For mortality from acute exposure, the exposure response function is given as an elevation of the baseline mortality rate. We use baseline mortality rates from the World Bank Global Burden of Disease study (Lopez *et al.*, 2006), for high income (for developed regions) and low-middle

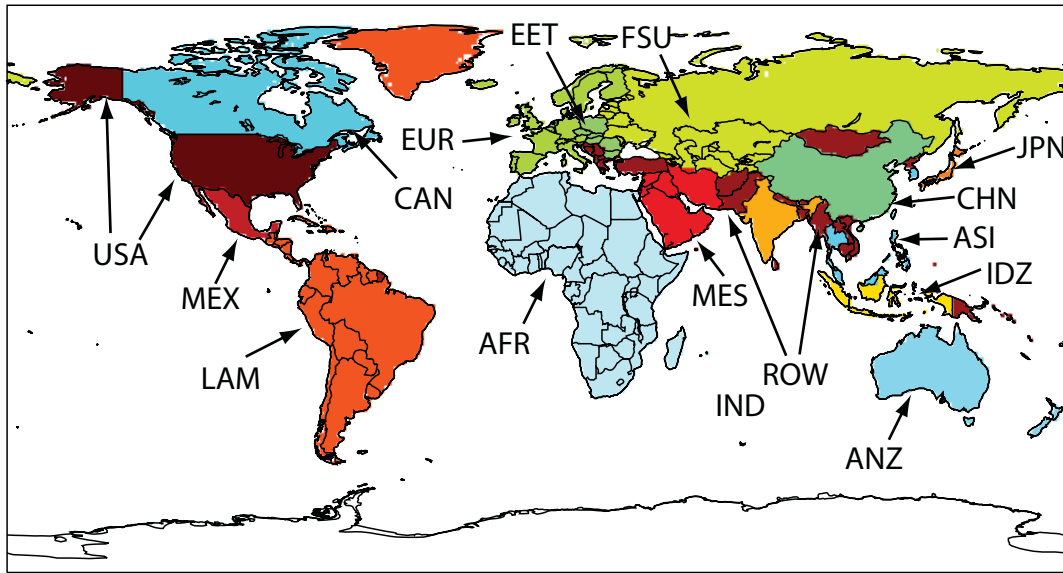


Figure 1. EPPA-HE Regions, based on EPPA4 (Paltsev *et al.*, 2005).

Table 1. Exposure-response functions and costs for Europe region. Sources: Bickel and Friedrich (2005); Holland *et al.* (1998); Holland *et al.* (2005); Matus (2005).

Outcome	Exposure-response function	95% confidence interval ²	Cost EUR (\$2000)	Std. Error Cost ⁴	Cost China (\$2000)
Acute mortality	0.03% ⁵	(0.01%, 0.04%)	23000	3100	690
Respiratory hospital admission (adults >65 years)	1.25E-5	(-5.0E-6, 3.0E-5)	1800	570	290
Respiratory symptom day	3.30E-2	(5.7E-3, 6.3E-2)	35	11	<1
Minor restricted activity day	1.15E-2	(4.4E-3, 1.9E-2)	35	11	<1
Asthma attack	4.29E-3	(3.3E-4, 8.3E-3)	49	16	4.6
Bronchodilator usage	7.30E-2	(-2.6E-2, 1.6E-1)	<1	<1	<1
Lower respiratory symptoms (wheeze) in children	1.60E-2	(-4.3E-2, 8.1E-2)	35	11	<1

¹ Units are cases yr⁻¹ person⁻¹ µg⁻¹ m³

² Normal distributions applied for symmetric confidence intervals, and beta distributions applied for asymmetric confidence intervals. Confidence intervals are cut off at zero and negative values are not assessed.

³ Converted from €2000 using exchange rate \$1=€1.085 (mean for year 2000)

⁴ Normal distributions applied for costs.

⁵ Units are Δannual mortality rate µg⁻¹ m³

income countries (for developing regions). Population distributions are applied separately for developing and developed regions (United Nations, 2007). We assess the economic impacts of ozone pollution by calculating the change in economic welfare (defined as macroeconomic consumption plus the value of leisure time).

We assess the uncertainties in calculated mortalities and costs resulting from both the uncertainties in exposure-response functions and economic valuation, using a probabilistic approach with Monte Carlo sampling. We conduct our uncertainty analysis similarly to the methodology used by Webster *et al.* (2008). We construct probability distributions of exposure-response functions and associated costs, based on probabilistic ranges from Bickel and Friedrich (2005) and Holland *et al.* (2005) (Table 1). We assume that exposure-response functions are correlated (details in **Table A1**) and that costs are correlated at $r=0.9$. Using Latin Hypercube sampling, we select 400 sets of inputs for each case, with exposure-response functions and associated costs varying, and simulate resulting welfare change for each case using EPPA-HE.

3. POPULATION-WEIGHTED OZONE CONCENTRATIONS

For input to EPPA, we calculate population-weighted annual average afternoon ozone concentrations for each region, for scenarios with and without climate and emissions changes as specified by Wu *et al.* (2008a). We use the gridded population distribution for 2000 from the Center for International Earth Science Information Network (CIESIN, 2005), and apply region-specific growth rates to 2050 for each EPPA region (United Nations, 2007). We assume that the distribution of population within each region will remain constant as total regional population increases in the period 2000-2050 so that we use the same within-region weighting factors for 2000 and 2050.

Table 2 presents population-weighted average regional ozone concentrations for each EPPA region for both the year 2000 and projected 2050 concentrations with changed precursor emissions and climate. Also shown are changes in ozone due to climate alone, diagnosed from a model simulation with 2050 climate and 2000 precursor emissions, and due to emissions alone, from a simulation with 2050 precursor emissions and 2000 climate. The net 2000-2050 ozone change is equal to the sum of these two contributions, indicating they are independent of each other in these simulations.

Population-weighted concentrations generally change more due to 2000-2050 precursor emissions changes than climate change. In most developing regions, precursor emissions increases result in population-weighted ozone increases. Climate change can have a positive or negative effect on population-weighted ozone in different regions.

In contrast to previous findings of an increased trend of ozone with climate change in urban, high-ozone areas (Jacob and Winner, 2009), we find that average population-weighted ozone changes due to climate are very small. Consistent with previous studies, ozone increases on the order of a few ppb are present in many urban regions in the model simulation of Wu *et al.* (2008a), but in most cases they are offset by decreases in other highly-populated regions, leading to a net change near zero.

Figure 2 shows an illustration of this for Asia. Figure 2a shows O₃ concentrations in Asia from Wu *et al.* (2008a) in 2050 climate, with constant (year 2000) ozone precursor emissions, while Figure 2b shows the changes in O₃ due to climate change from present-day conditions (year 2000 climate and precursor emissions). Figure 2c and 2d show the total population in areas where O₃ decreases and increases, respectively, due to climatic changes. As shown in these figures, the total population is roughly equal (1.5x10⁹ people) in areas where ozone is increasing and decreasing. Areas of high population where ozone is projected to increase due to climate include northern India and eastern China, where ozone levels (2a) are particularly high. The population-weighted totals thus indicate a 0.1 ppb decrease due to climate change in China, and a 0.4 ppb climate-driven increase in India. This suggests a strong subregional variation in the effects of climate on ozone in urban areas, which could be further explored with regional atmospheric and economic modeling.

Population-weighted annual average 8-hour maximum ozone concentrations calculated from Wu *et al.* (2008a) by region (ranging from 29.5 – 61.0 ppb, see Table 2) vary more than those calculated by West *et al.* (2007) using the LMDz-INCA chemistry-climate model for the year 2000, which range from a low of 39.3 ppb in Asia to a high of 46.4 in North America. In developing regions, surface ozone concentration measurements are not available; thus, model predictions are difficult to validate. We use the estimates of West *et al.* (2007) (**Table A2**) as a sensitivity test to assess the influence of atmospheric model and emissions scenario uncertainty on our results, discussed further below.

Table 2. Population-weighted ozone concentrations by EPPA region, and change in ozone due to climate, emissions, and net change 2000-2050. Ozone concentrations from Wu *et al.* (2008b).

Region	2000 [O ₃]	2050 [O ₃]	ΔO ₃ climate	ΔO ₃ emissions	ΔO ₃ (2050-2000)
AFR	33.2	43.2	-0.2	10.3	10.1
ANZ	31.3	30.4	0.0	-0.9	-0.9
ASI	41.4	53.4	0.1	11.9	12.0
CAN	41.7	37.3	0.2	-4.6	-4.4
CHN	47.7	55.7	-0.1	8.2	8.1
EET	43.2	43.5	-1.1	1.3	0.2
EUR	43.5	45.2	0.2	1.5	1.7
FSU	40.4	39.3	-0.9	-0.2	-1.1
IDZ	29.5	44.0	-1.2	15.7	14.4
IND	61.0	85.4	0.4	24.0	24.4
JPN	50.9	48.4	0.9	-3.4	-2.5
LAM	28.3	39.5	0.3	10.9	11.2
MES	48.4	58.8	-0.5	10.9	10.4
MEX	46.3	53.4	-1.6	8.6	7.1
ROW	48.4	60.1	-0.2	12.0	11.8
USA	50.1	45.2	0.2	-5.1	-4.9

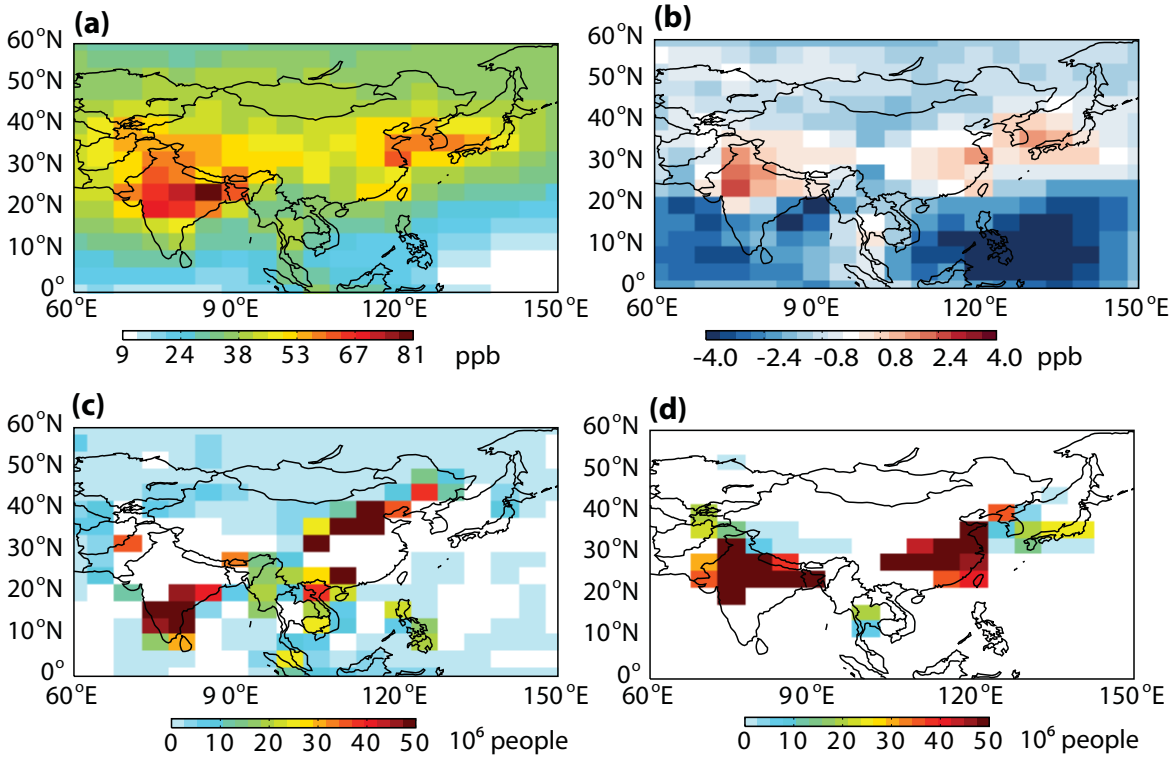


Figure 2. Model simulated O₃ change in Asia relative to population. (a) shows O₃ concentrations for 2050 climate and 2000 precursor emissions (data from Wu *et al.* (2008a)). (b) shows the overall projected change in ozone due to climate (data from Wu *et al.* (2008a)). (c) shows total population (total= 1.5×10^9 people) in areas where ozone decreases due to climate, and (d) shows total population (total= 1.5×10^9 people) in areas where ozone increases due to climate.

4. HEALTH OUTCOMES

Figure 3 shows the change in acute mortalities due to ozone concentration changes, separating the influence of changing climate alone (3a), emissions changes alone (3b), and climate and emissions changes together (3c). We also calculate the number of mortalities in 2050 that result from ozone exposure above pre-industrial levels (a mean population-weighted exposure of 10 ppb for each region) (3d). The total number of acute mortalities in each of 16 regions is calculated by EPPA-HE. For Figure 3, we spatially distribute mortalities within each region according to the projected change in O₃ concentrations between present-day and in 2050 (3a, b and c), and change in 2050 relative to the pre-industrial (10 ppb) level (3c).

Overall, EPPA-HE predicts 5,000 fewer acute mortalities due to O₃ in 2050 relative to 2000 when taking into account climate change alone (constant 2000 precursor emissions). However, as shown in Figure 3, climate change leads to mortality increases in some regions and decreases in others. Specifically, the eastern U.S., parts of Europe, east Africa, north India, and eastern China are areas where mortalities will increase; this pattern follows the pattern of ozone changes due to climate. Overall, EPPA-HE predicts a net increase in mortalities in seven regions (USA, high-

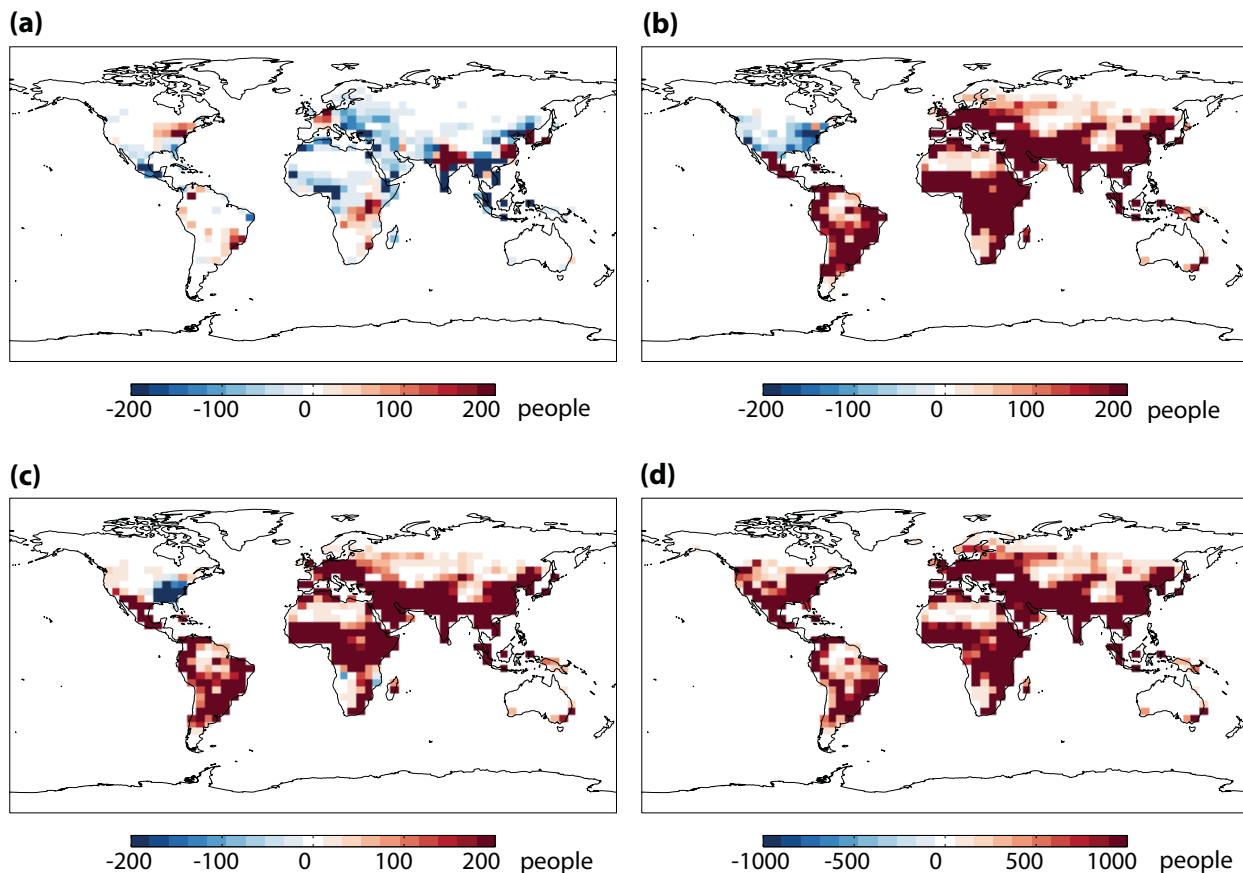


Figure 3. Change in acute mortalities due to (a) climatic change (with 2000 precursors) (Total=-5000); (b) emission changes (under 2050 climate) (Total=817,000); (c) climate and precursor changes in 2050 (Total=812,000); and (d) ozone enhancements in 2050 above pre-industrial exposures (10 ppb) (Total= 2.6×10^6). Acute mortality data is calculated for 16 world regions by EPPA-HE using population-weighted ozone concentrations from Wu *et al.* (2008a). Mortalities are distributed regionally based on ozone changes in each scenario. Note difference in scale for (d). Color scales are saturated at highest and lowest values.

income Asia, Canada, Europe, India, Japan, and Latin America) and net decreases in others. Detailed results for each region are presented in **Table A3**.

As expected from the ozone changes (Figure 2), the increased mortality from emissions changes far outweighs the climate impact. EPPA-HE projects an increase of 817,000 acute mortalities under 2050 A1B ozone precursor emissions (with constant climate). All regions except the U.S. (in which emissions decrease substantially in the A1B scenario) show net increases in mortalities. Thus, the net effect of climate and precursor emissions (Figure 3b) is to increase mortalities by 812,000 globally, with increases virtually everywhere except for the eastern U.S. Our Monte Carlo analysis indicates a 95% confidence interval of 350,000-2,300,000 mortalities for this scenario, taking into account uncertainty in exposure-response functions. The difference in acute mortalities between projected 2050 levels (including climate and precursor

emissions changes) and a pre-industrial exposure level of 10 ppb is estimated to exceed 2 million acute mortalities, with a 95% confidence interval of 560,000-3,600,000 (Figure 3d).

West *et al.* (2007) previously assessed potential changes in global acute mortalities using four different scenarios. Under their MFR scenario, they calculate that emissions reductions could reduce global acute mortalities by about 460,000 relative to ozone predicted by their application of the SRES A2 scenario in 2030. To compare our results to their approach, we ran EPPA-HE to 2030 with the population-weighted concentrations reported in their study. For the same scenario, we project a larger number of avoided mortalities (780,000), about 70% higher but within their uncertainty range using different exposure-response functions. We also project a decrease of 130,000 mortalities under maximum feasible reduction relative to current legislation (lower concentrations than A2), which is less than the 267,000 predicted by West *et al.* (2007), but again within their uncertainty bounds. In contrast to West *et al.* (2007), who assumed a log-linear response function and a threshold of 25 ppb for health effects, we assume a linear response without threshold and a higher exposure-response function, as described above. Log-linear curves have a steeper response at lower concentrations, and less response at higher concentrations, consistent with the comparison here.

5. ECONOMIC COSTS OF HEALTH IMPACTS

Figure 4 shows the economic (welfare) losses (including leisure losses) due to ozone-related health impacts from climate change alone (4a), precursor emissions changes alone (4b), climate and precursor emissions together (4c), and excess ozone greater than 10 ppb (4d). Welfare losses are calculated for each region from EPPA-HE; for presentation in Figure 4, data are distributed within each region based on population.

As shown in Figure 4a, climate change results in an annual global net loss of welfare of \$790 million by 2050 (in year 2000\$), undiscounted. While some regions show net welfare gains (due to decreased ozone), these gains are outweighed by loss of welfare due to ozone increases in high-income regions (United States, Europe and Japan).

Similar to the results for mortalities alone, the change in welfare due to emissions changes in the A1B scenario far exceeds the difference due to climate change alone. We calculate an annual welfare loss of \$120 billion in 2050 due to emissions changes, and thus a net cost of \$120.8 billion due to climate and emissions changes. In Figure 4c, we show the total cost of ozone pollution above pre-industrial background, which is \$580 billion in 2050. As shown in the figure, welfare losses occur in all regions. Detailed results are presented in **Table A4**.

Using EPPA-HE, we can calculate the compounding effect of ozone pollution between 2000-2049 on the 2050 economy. Economic effects in earlier years reduce the overall level of the economy and savings and investment in those years that then lead to a lower stock of capital in succeeding years. We calculate this effect in EPPA-HE by the difference between our simulation in 2050, and a simulation with pre-industrial ozone in 2050 (10 ppb). From this scenario, we calculate that ~40% of economic losses (\$240 billion) result from the accumulated economic

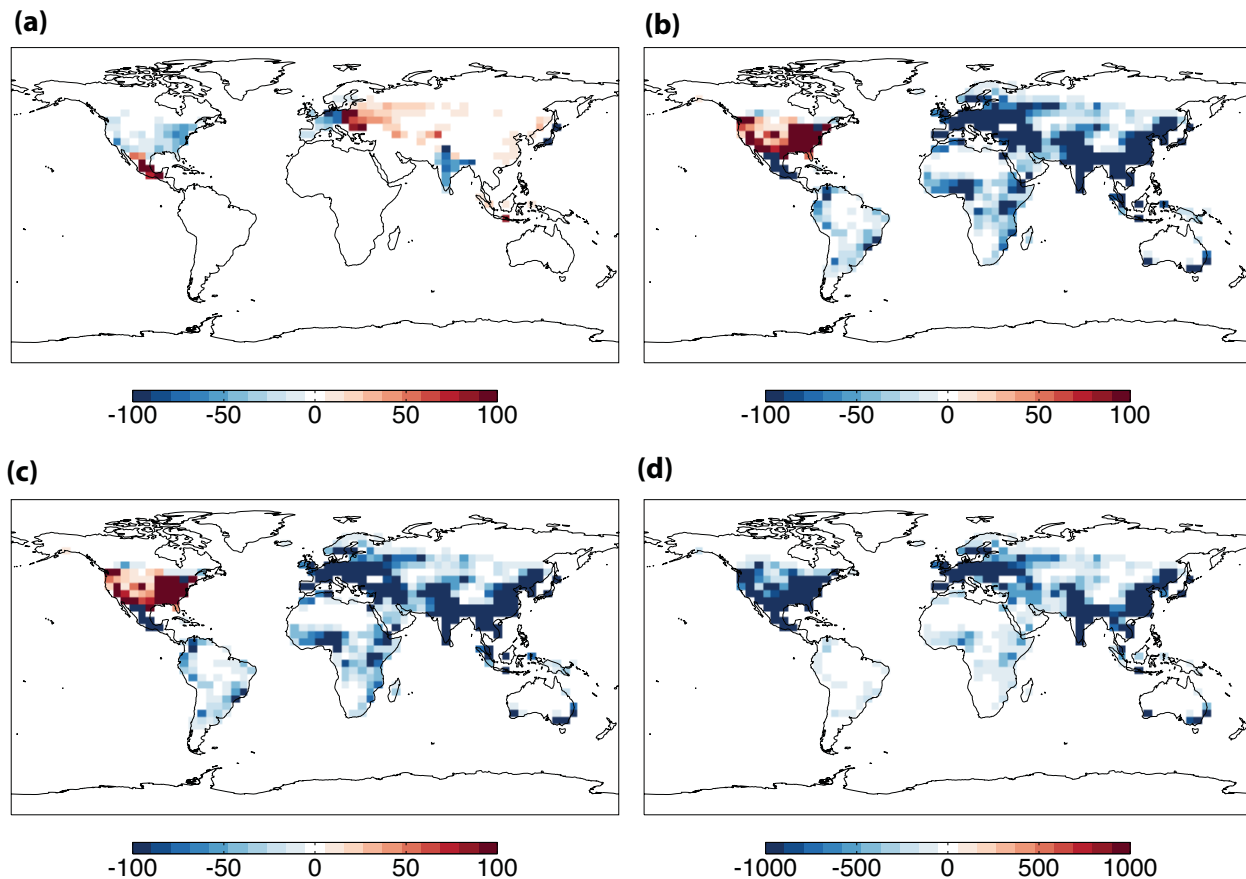


Figure 4. Change in economic welfare (consumption+leisure) from ozone-related health impacts due to (a) climatic change (with 2000 emissions) (Total= $\$7.9 \times 10^9$); (b) precursor changes (2050 climate) (Total= $\$1.2 \times 10^{11}$); (c) climate and precursor changes in 2050 (Total= $\$1.2 \times 10^{11}$); and (d) ozone enhancements in 2050 above pre-industrial exposures (10 ppb) (Total= $\$5.8 \times 10^{11}$). Welfare change is calculated for 16 world regions by EPPA-HE using population-weighted ozone concentrations from Wu et al. (2008b). Welfare is regionally distributed based on population. All values are in year 2000\$. Note difference in scale for (d). Color scales are saturated at highest and lowest values.

burden of previous ozone concentrations (2000-2049). This is not taken into account in most economic calculations of environmental health impacts.

We also calculate the potential welfare gains under the West *et al.* (2007) MFR scenario relative to SRES A2 for 2030, and with concentration trends linearly extrapolated to 2050. We estimate that changes projected under this scenario would lead to a global welfare increase of \$66 billion by 2030, and \$170 billion by 2050. This suggests that emissions changes to 2050 have the potential to affect ozone-related health damages with losses ranging from \$120-170 billion.

We apply Monte Carlo analysis to assess the influence of both exposure-response and economic uncertainty on our welfare results. **Figure 5** shows the difference in welfare between

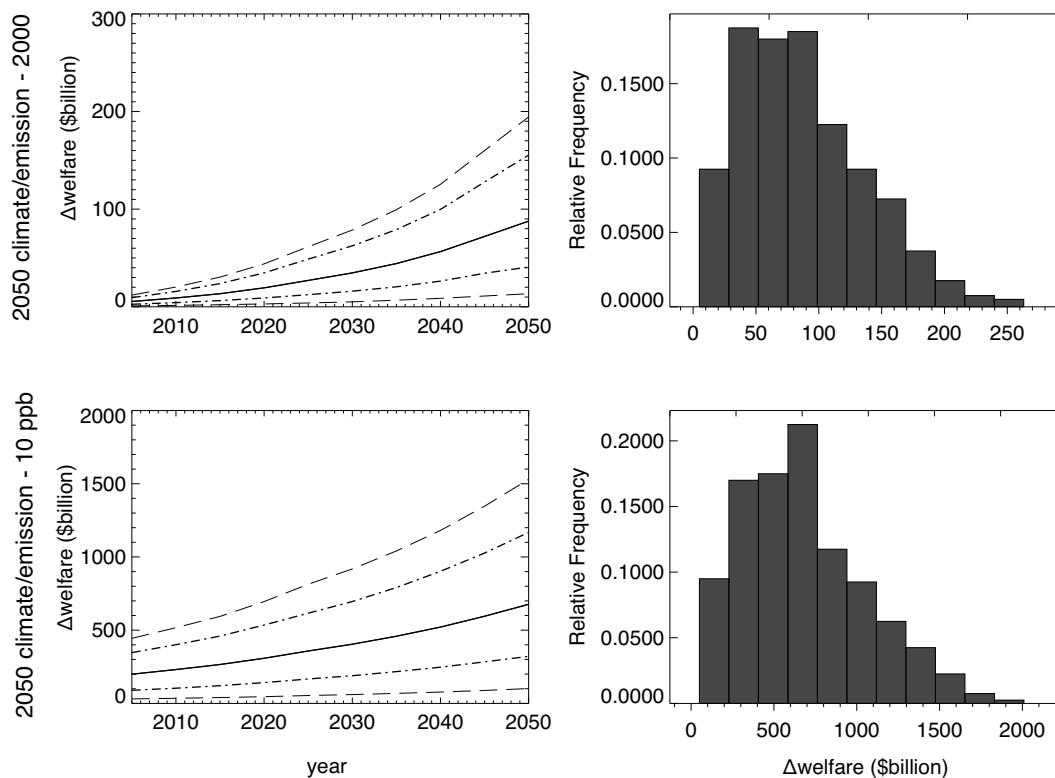


Figure 5. Uncertainty in total global loss in economic welfare (consumption+leisure) from ozone-related health impacts due to (first row) climate and emission changes in 2050 relative to 2000, and (second row) ozone enhancements in 2050 above pre-industrial exposure (10 ppb), based on a 400 sample Monte Carlo simulation. Left column shows median (solid), 67% (dash-dot) and 95% (dashed) confidence intervals. Right column shows frequency distribution of welfare loss for year 2050. All values are in year 2000\$.

the scenario with climate and emission changes to 2050 and 2000 ozone levels (first row), and between 2050 and the pre-industrial background (second row). We calculate a 95% confidence interval of \$12.8 billion-\$186 billion for the annual welfare loss due to climate and emissions changes from 2000-2050. For the total cost of ozone pollution above pre-industrial background, the 95% confidence interval is \$101 billion-\$1.53 trillion. These uncertainties only take into account the uncertainties in the exposure-response factors and the economic valuation of impacts, and do not take into account additional uncertainties in future emissions and climate.

6. POLICY IMPLICATIONS AND CONCLUSIONS

We assessed the human health and related economic impacts of present and future (2050) air pollution due to ozone, using the EPPA-HE model applied to results a GEOS-Chem global 3-D

tropospheric chemistry simulation for the IPCC A1B scenario. We find that ozone changes due to climate and precursor emission changes lead in 2050 to 817,000 additional acute mortalities [95% confidence interval of 350,000-2,300,000], and welfare losses of \$120 billion [95% range of 12.8 billion-186 billion]; and that climate change contributes only \$790 million to the median loss. We further calculate that ozone pollution above pre-industrial background leads to >2 million [95% range of 560,000-3,600,000] acute mortalities in 2050, and welfare costs of \$580 billion [95% range of \$101 billion-\$1.53 trillion]. For comparison, our 2050 GDP projection in the U.S. for the case with 2050 climate and precursor emissions is \$41 trillion (\$2000), and for the world is \$149 trillion. Thus, \$580 billion is 0.4% of world GDP and 1.3% of U.S. GDP. We estimate that 40% of the median 2050 cost reflects the accumulated economic burden of previous elevated ozone.

Though ozone concentration changes due to climate change vary in sign and magnitude in different regions, we nevertheless calculate a net global welfare loss due to climate-related ozone changes under the A1B scenario. The magnitude of changes due to emissions trajectories, however, far exceeds the climate signal, suggesting that future analyses could consider the effects of different emissions projections. Our analysis suggests that potential reductions in ozone emissions precursors such as NO_x and VOCs could have substantial economic benefits due to human health improvements.

Acknowledgments

This research was supported in part by the United States Department of Energy, Office of Science (BER) grants DE-FG02-94ER61937 and DE-FG02-93ER61677, the United States Environmental Protection Agency grant EPA-XA-83344601-0, and the industrial and foundation sponsors of the MIT Joint Program on the Science and Policy of Global Change.

7. REFERENCES

- Bell, M. L., R. D. Peng, and F. Dominici, 2006: The exposure-response curve for ozone and risk of mortality and the adequacy of current ozone regulations. *Environmental Health Perspectives*, 114: 532-536.
- Bell, M. L., R. Goldberg, C. Hogrefe, P. L. Kinney, K. Knowlton, B. Lynn, J. Rosenthal, C. Rosenzweig, and J. A. Patz, 2007: Climate change, ambient ozone, and health in 50 U.S. cities. *Climatic Change*, 82: 61-76.
- Bell, M. L., D. L. Davis, L. A. Cifuentes, A. J. Krupnick, R. D. Morgenstern, and G. D. Thurston, 2008: Ancillary human health benefits of improved air quality resulting from climate change mitigation. *Environmental Health* 7:41.
- Bickel, P., and R. Friedrich (eds.), 2005: *ExternE, Externalities of Energy: Methodology 2005 Update*, European Commission: Luxembourg.
- Ebi, K. L., and G. McGregor, 2008: Climate Change, Tropospheric Ozone and Particulate Matter, and Health Impacts. *Environmental Health Perspectives*, 116: 1449.
- Heston, A., R. Summers, and B. Aten, 2002: *Penn World Table Version 6.1*, Center for International Comparisons at the University of Pennsylvania (CICUP), October 2002, <http://pwt.econ.upenn.edu/>.

- Hogrefe, C., B. Lynn, K. Civerolo, J. Y. Ku, J. Rosenthal, C. Rosenzweig, R. Goldberg, S. Gaffin, K. Knowlton, and P. L. Kinney, 2004: Simulating changes in regional air pollution over the eastern United States due to changes in global and regional climate and emissions. *Journal of Geophysical Research-Atmospheres* 109: D22301.
- Holland, M., J. Berry, and D. Forster, 1998: *ExternE, Externalities of Energy, vol. 7: Methodology, 1998 update*, European Commission, Directorate-General XII, Science Research and Development.
- Holland, M., F. Hurley, A. Hunt, and P. Watkiss, 2005: *Methodology for the Cost-Benefit Analysis for CAFE: Volume 3: Uncertainty in the CAFE CBA: Methods and First Analysis*, AEA Technology Environment, Didcot, UK.
- Intergovernmental Panel on Climate Change (IPCC), 2001: *Climate Change 2001: The Scientific Basis. Contribution of Working Group I to the Third Assessment Report of the Intergovernmental Panel on Climate Change*, Cambridge University Press: New York.
- Jacob, D. J., and D. A. Winner, 2009: Effect of climate change on air quality. *Atmospheric Environment*, 43: 51-63.
- Knowlton, K., J. E. Rosenthal, C. Hogrefe, B. Lynn, S. Gaffin, R. Goldberg, C. Rosenzweig, K. Civerolo, J.-Y. Ku, and P. L. Kinney, 2004: Assessing ozone-related health impacts under a changing climate, *Environmental Health Perspectives*, 112: 1557-1563.
- Lopez, A. D., C. D. Mathers, M. Ezzati, D. T. Jamison, and C. J. L. Murray (eds.), 2006: *Global Burden of Disease and Risk Factors*, Oxford University Press: New York.
- Matus, K., 2005: *Health impacts from urban air pollution in China: The burden to the economy and the benefits of policy*. Master of Science Thesis, Technology and Policy Program, Engineering Systems Division, Massachusetts Institute of Technology, June, http://globalchange.mit.edu/files/document/Matus_MS_05.pdf.
- Matus, K., T. Yang, S. Paltsev, J. Reilly, and K.-M. Nam, 2008: Toward integrated assessment of environmental change: Air pollution health effects in the USA. *Climatic Change*, 88: 59-92; MIT Joint Program Reprint 2007-12.
- Mayeres, I., and D. Van Regemorter, 2008: Modelling the health related benefits of environmental policies and their feedback effects: A CGE analysis for the EU countries with GEM-E3. *Energy Journal*, 29: 135-150.
- Mickley, L. J., 2007: A future short of breath? Possible effects of climate change on smog. *Environment*, 49: 34-43.
- Murazaki, K., and P. Hess, 2006: How does climate change contribute to surface ozone change over the United States? *Journal of Geophysical Research-Atmospheres*, 111: D05301.
- Nam, K.-M., N. E. Selin, J. Reilly, and S. Paltsev, 2009: Measuring Welfare Loss Caused by Air Pollution in Europe: A CGE Analysis. MIT JPSPGC Report, forthcoming.
- Paltsev, S., J. M. Reilly, H. D. Jacoby, R. S. Eckaus, J. McFarland, M. Sarofim, M. Asadoorian, and M. Babiker, 2005: The MIT Emissions Prediction and Policy Analysis (EPPA) Model: Version 4. MIT JPSPGC Report 125, August, 72 pp. http://globalchange.mit.edu/files/document/MITJPSPGC_Rpt125.pdf.
- Racherla, P. N., and P. J. Adams, 2006: Sensitivity of global tropospheric ozone and fine particulate matter concentrations to climate change. *Journal of Geophysical Research-Atmospheres*, 111: D24103.

- Racherla, P. N., and P. J. Adams, 2009: U.S. Ozone Air Quality under Changing Climate and Anthropogenic Emissions. *Environmental Science & Technology*, 43: 571-577.
- Rind, D., J. Lerner, J. Jonas, and C. McLinden, 2007: Effects of resolution and model physics on tracer transports in the NASA Goddard Institute for Space Studies general circulation models. *Journal of Geophysical Research-Atmospheres*, 112: D09315.
- United Nations, 2007: *World Population Prospects: The 2006 Revision*, Population Division of the Department of Economic and Social Affairs of the United Nations Secretariat.
- Webster, M., S. Paltsev, J. Parsons, J. Reilly, and H. Jacoby, 2008: Uncertainty in greenhouse emissions and costs of atmospheric stabilization. MIT JPSPGC Report 165, November, 81 pp. http://globalchange.mit.edu/files/document/MITJPSPGC_Rpt165.pdf.
- West, J. J., S. Szopa, and D. A. Hauglustaine, 2007: Human mortality effects of future concentrations of tropospheric ozone. *Comptes Rendus Geoscience*, 339: 775-783.
- Wu, S., L. J. Mickley, D. J. Jacob, J. A. Logan, R. M. Yantosca, and D. Rind, 2007: Why are there large differences between models in global budgets of tropospheric ozone? *Journal of Geophysical Research-Atmospheres*, 112: D05302.
- Wu, S. L., L. J. Mickley, D. J. Jacob, D. Rind, and D. G. Streets, 2008a: Effects of 2000-2050 changes in climate and emissions on global tropospheric ozone and the policy-relevant background surface ozone in the United States. *Journal of Geophysical Research-Atmospheres*, 113: D18312.
- Wu, S. L., L. J. Mickley, E. M. Leibensperger, D. J. Jacob, D. Rind, and D. G. Streets, 2008b: Effects of 2000-2050 global change on ozone air quality in the United States. *Journal of Geophysical Research-Atmospheres*, 113: D06302.

APPENDIX A

Table A1. Correlations between exposure-response functions used in uncertainty analysis.

Outcome	AM	RHA	RSD	MRD	AA	BDU	LRS
Acute mortality (AM)	X						
Respiratory hospital admission (RHA) (adults >65 years)	0.4	X					
Respiratory symptom day (RSD)	0.4	0.4	X				
Minor restricted activity day (MRD)	0.4	0.4	0.8	X			
Asthma attack (AA)	0.4	0.4	0.8	0.8	X		
Bronchodilator usage (BDU)	0.4	0.4	0.8	0.8	0.9	X	
Lower respiratory symptoms (wheeze) in children (LRS)	0.0	0.0	0.0	0.0	0.0	0.0	X

Table A2. Ozone concentrations (ppb) by EPPA region, based on West *et al.* (2007) for sensitivity analysis. A2 refers to IPCC A2 scenario; CLE is current legislation, and MFR is maximum feasible reduction scenario.

Region	2000	A2 2030	CLE 2030	MFR 2030
AFR	39.3	48.5	42.0	36.9
ANZ	42.4	48.3	43.5	36.6
ASI	33.5	42.1	37.7	29.5
CAN	46.4	52.1	48.0	40.9
CHN	44.9	53.0	46.7	38.5
EET	41.2	47.5	43.0	36.9
EUR	40.4	45.1	42.2	37.3
FSU	41.2	47.5	43.0	36.9
IDZ	33.5	42.1	37.7	29.5
IND	45.5	60.3	54.4	39.3
JPN	42.4	48.3	43.5	36.6
LAM	35.9	44.5	36.7	31.0
MES	45.7	56.1	49.4	39.3
MEX	35.9	44.5	36.7	31.0
ROW	41.9	51.1	45.3	36.7
USA	46.4	52.1	48.0	40.9

Table A3. Acute mortalities from ozone due to climate and precursor emission changes for each EPPA region.

Region	ΔMortalities Climate	ΔMortalities Precursor Emissions	ΔMortalities Climate+ precursors	Excess mortalities O₃>10ppb
AFR	-2640	130000	127000	391000
ANZ	-1	585	584	3980
ASI	135	44500	44600	98500
CAN	45	190	235	6810
CHN	-564	90500	89900	403000
EET	-489	1560	1070	16200
EUR	297	5210	5500	66000
FSU	-1260	4890	3630	47400
IDZ	-2140	27400	25200	61800
IND	3740	317000	321000	770000
JPN	534	1280	1820	24300
LAM	1190	46100	47300	114000
MES	-1250	33800	32600	127000
MEX	-1300	7940	6640	38000
ROW	-1360	108000	107000	362000
USA	444	-2470	-2030	79800
Total	-4640	817000	813000	2610000

Table A4. Welfare change from ozone-related air pollution health impacts due to climate and emission changes for each EPPA region (in 10^9 year 2000\$).

Region	ΔWelfare Climate	ΔWelfare Precursor Emissions	ΔWelfare Climate+ precursors	ΔWelfare (2050) $O_3 > 10ppb$
AFR	0.083	-4.5	-4.4	-8.4
ANZ	0	-1.5	-1.4	-6.4
ASI	-0.012	-1.9	-2	-1.8
CAN	-0.092	-0.59	-0.47	-13
CHN	0.11	-17	-17	-57
EET	0.51	-2.2	-1.6	-14
EUR	-0.53	-9.9	-9.1	-96
FSU	1	-5.5	-4.3	-33
IDZ	0.13	-1.8	-1.7	-1.9
IND	-0.76	-56	-60	-80
JPN	-1.8	-3.6	-4.3	-73
LAM	-0.04	-1.5	-1.6	-1.9
MES	0.042	-1.6	-1.6	-4.5
MEX	1.4	-10	-8.5	-28
ROW	0.075	-6.3	-6.3	-13
USA	-0.91	2.2	4.8	-150
Total	-0.79	-120	-120	580

REPORT SERIES of the MIT Joint Program on the Science and Policy of Global Change

1. **Uncertainty in Climate Change Policy Analysis**
Jacoby & Prinn December 1994
2. **Description and Validation of the MIT Version of the GISS 2D Model** *Sokolov & Stone* June 1995
3. **Responses of Primary Production and Carbon Storage to Changes in Climate and Atmospheric CO₂ Concentration** *Xiao et al.* October 1995
4. **Application of the Probabilistic Collocation Method for an Uncertainty Analysis** *Webster et al.* January 1996
5. **World Energy Consumption and CO₂ Emissions: 1950-2050** *Schmalensee et al.* April 1996
6. **The MIT Emission Prediction and Policy Analysis (EPPA) Model** *Yang et al.* May 1996 (*superseded* by No. 125)
7. **Integrated Global System Model for Climate Policy Analysis** *Prinn et al.* June 1996 (*superseded* by No. 124)
8. **Relative Roles of Changes in CO₂ and Climate to Equilibrium Responses of Net Primary Production and Carbon Storage** *Xiao et al.* June 1996
9. **CO₂ Emissions Limits: Economic Adjustments and the Distribution of Burdens** *Jacoby et al.* July 1997
10. **Modeling the Emissions of N₂O and CH₄ from the Terrestrial Biosphere to the Atmosphere** *Liu* Aug. 1996
11. **Global Warming Projections: Sensitivity to Deep Ocean Mixing** *Sokolov & Stone* September 1996
12. **Net Primary Production of Ecosystems in China and its Equilibrium Responses to Climate Changes** *Xiao et al.* November 1996
13. **Greenhouse Policy Architectures and Institutions** *Schmalensee* November 1996
14. **What Does Stabilizing Greenhouse Gas Concentrations Mean?** *Jacoby et al.* November 1996
15. **Economic Assessment of CO₂ Capture and Disposal** *Eckaus et al.* December 1996
16. **What Drives Deforestation in the Brazilian Amazon?** *Pfaff* December 1996
17. **A Flexible Climate Model For Use In Integrated Assessments** *Sokolov & Stone* March 1997
18. **Transient Climate Change and Potential Croplands of the World in the 21st Century** *Xiao et al.* May 1997
19. **Joint Implementation: Lessons from Title IV's Voluntary Compliance Programs** *Atkeson* June 1997
20. **Parameterization of Urban Subgrid Scale Processes in Global Atm. Chemistry Models** *Calbo et al.* July 1997
21. **Needed: A Realistic Strategy for Global Warming** *Jacoby, Prinn & Schmalensee* August 1997
22. **Same Science, Differing Policies; The Saga of Global Climate Change** *Skolnikoff* August 1997
23. **Uncertainty in the Oceanic Heat and Carbon Uptake and their Impact on Climate Projections** *Sokolov et al.* September 1997
24. **A Global Interactive Chemistry and Climate Model** *Wang, Prinn & Sokolov* September 1997
25. **Interactions Among Emissions, Atmospheric Chemistry & Climate Change** *Wang & Prinn* Sept. 1997
26. **Necessary Conditions for Stabilization Agreements** *Yang & Jacoby* October 1997
27. **Annex I Differentiation Proposals: Implications for Welfare, Equity and Policy** *Reiner & Jacoby* Oct. 1997
28. **Transient Climate Change and Net Ecosystem Production of the Terrestrial Biosphere** *Xiao et al.* November 1997
29. **Analysis of CO₂ Emissions from Fossil Fuel in Korea: 1961-1994** *Choi* November 1997
30. **Uncertainty in Future Carbon Emissions: A Preliminary Exploration** *Webster* November 1997
31. **Beyond Emissions Paths: Rethinking the Climate Impacts of Emissions Protocols** *Webster & Reiner* November 1997
32. **Kyoto's Unfinished Business** *Jacoby et al.* June 1998
33. **Economic Development and the Structure of the Demand for Commercial Energy** *Judson et al.* April 1998
34. **Combined Effects of Anthropogenic Emissions and Resultant Climatic Changes on Atmospheric OH** *Wang & Prinn* April 1998
35. **Impact of Emissions, Chemistry, and Climate on Atmospheric Carbon Monoxide** *Wang & Prinn* April 1998
36. **Integrated Global System Model for Climate Policy Assessment: Feedbacks and Sensitivity Studies** *Prinn et al.* June 1998
37. **Quantifying the Uncertainty in Climate Predictions** *Webster & Sokolov* July 1998
38. **Sequential Climate Decisions Under Uncertainty: An Integrated Framework** *Valverde et al.* September 1998
39. **Uncertainty in Atmospheric CO₂ (Ocean Carbon Cycle Model Analysis)** *Holian* Oct. 1998 (*superseded* by No. 80)
40. **Analysis of Post-Kyoto CO₂ Emissions Trading Using Marginal Abatement Curves** *Ellerman & Decaux* Oct. 1998
41. **The Effects on Developing Countries of the Kyoto Protocol and CO₂ Emissions Trading** *Ellerman et al.* November 1998
42. **Obstacles to Global CO₂ Trading: A Familiar Problem** *Ellerman* November 1998
43. **The Uses and Misuses of Technology Development as a Component of Climate Policy** *Jacoby* November 1998
44. **Primary Aluminum Production: Climate Policy, Emissions and Costs** *Harnisch et al.* December 1998
45. **Multi-Gas Assessment of the Kyoto Protocol** *Reilly et al.* January 1999
46. **From Science to Policy: The Science-Related Politics of Climate Change Policy in the U.S.** *Skolnikoff* January 1999
47. **Constraining Uncertainties in Climate Models Using Climate Change Detection Techniques** *Forest et al.* April 1999
48. **Adjusting to Policy Expectations in Climate Change Modeling** *Shackley et al.* May 1999
49. **Toward a Useful Architecture for Climate Change Negotiations** *Jacoby et al.* May 1999
50. **A Study of the Effects of Natural Fertility, Weather and Productive Inputs in Chinese Agriculture** *Eckaus & Tso* July 1999
51. **Japanese Nuclear Power and the Kyoto Agreement** *Babiker, Reilly & Ellerman* August 1999
52. **Interactive Chemistry and Climate Models in Global Change Studies** *Wang & Prinn* September 1999
53. **Developing Country Effects of Kyoto-Type Emissions Restrictions** *Babiker & Jacoby* October 1999

Contact the Joint Program Office to request a copy. The Report Series is distributed at no charge.

REPORT SERIES of the MIT Joint Program on the Science and Policy of Global Change

54. **Model Estimates of the Mass Balance of the Greenland and Antarctic Ice Sheets** *Bugnion* Oct 1999
55. **Changes in Sea-Level Associated with Modifications of Ice Sheets over 21st Century** *Bugnion* October 1999
56. **The Kyoto Protocol and Developing Countries** *Babiker et al.* October 1999
57. **Can EPA Regulate Greenhouse Gases Before the Senate Ratifies the Kyoto Protocol?** *Bugnion & Reiner* November 1999
58. **Multiple Gas Control Under the Kyoto Agreement** *Reilly, Mayer & Harnisch* March 2000
59. **Supplementarity: An Invitation for Monopsony?** *Ellerman & Sue Wing* April 2000
60. **A Coupled Atmosphere-Ocean Model of Intermediate Complexity** *Kamenkovich et al.* May 2000
61. **Effects of Differentiating Climate Policy by Sector: A U.S. Example** *Babiker et al.* May 2000
62. **Constraining Climate Model Properties Using Optimal Fingerprint Detection Methods** *Forest et al.* May 2000
63. **Linking Local Air Pollution to Global Chemistry and Climate** *Mayer et al.* June 2000
64. **The Effects of Changing Consumption Patterns on the Costs of Emission Restrictions** *Lahiri et al.* Aug 2000
65. **Rethinking the Kyoto Emissions Targets** *Babiker & Eckaus* August 2000
66. **Fair Trade and Harmonization of Climate Change Policies in Europe** *Viguié* September 2000
67. **The Curious Role of "Learning" in Climate Policy: Should We Wait for More Data?** *Webster* October 2000
68. **How to Think About Human Influence on Climate** *Forest, Stone & Jacoby* October 2000
69. **Tradable Permits for Greenhouse Gas Emissions: A primer with reference to Europe** *Ellerman* Nov 2000
70. **Carbon Emissions and The Kyoto Commitment in the European Union** *Viguié et al.* February 2001
71. **The MIT Emissions Prediction and Policy Analysis Model: Revisions, Sensitivities and Results** *Babiker et al.* February 2001 (*superseded* by No. 125)
72. **Cap and Trade Policies in the Presence of Monopoly and Distortionary Taxation** *Fullerton & Metcalf* March '01
73. **Uncertainty Analysis of Global Climate Change Projections** *Webster et al.* Mar. '01 (*superseded* by No. 95)
74. **The Welfare Costs of Hybrid Carbon Policies in the European Union** *Babiker et al.* June 2001
75. **Feedbacks Affecting the Response of the Thermohaline Circulation to Increasing CO₂** *Kamenkovich et al.* July 2001
76. **CO₂ Abatement by Multi-fueled Electric Utilities: An Analysis Based on Japanese Data** *Ellerman & Tsukada* July 2001
77. **Comparing Greenhouse Gases** *Reilly et al.* July 2001
78. **Quantifying Uncertainties in Climate System Properties using Recent Climate Observations** *Forest et al.* July 2001
79. **Uncertainty in Emissions Projections for Climate Models** *Webster et al.* August 2001
80. **Uncertainty in Atmospheric CO₂ Predictions from a Global Ocean Carbon Cycle Model** *Holian et al.* September 2001
81. **A Comparison of the Behavior of AO GCMs in Transient Climate Change Experiments** *Sokolov et al.* December 2001
82. **The Evolution of a Climate Regime: Kyoto to Marrakech** *Babiker, Jacoby & Reiner* February 2002
83. **The "Safety Valve" and Climate Policy** *Jacoby & Ellerman* February 2002
84. **A Modeling Study on the Climate Impacts of Black Carbon Aerosols** *Wang* March 2002
85. **Tax Distortions and Global Climate Policy** *Babiker et al.* May 2002
86. **Incentive-based Approaches for Mitigating Greenhouse Gas Emissions: Issues and Prospects for India** *Gupta* June 2002
87. **Deep-Ocean Heat Uptake in an Ocean GCM with Idealized Geometry** *Huang, Stone & Hill* September 2002
88. **The Deep-Ocean Heat Uptake in Transient Climate Change** *Huang et al.* September 2002
89. **Representing Energy Technologies in Top-down Economic Models using Bottom-up Information** *McFarland et al.* October 2002
90. **Ozone Effects on Net Primary Production and Carbon Sequestration in the U.S. Using a Biogeochemistry Model** *Felzer et al.* November 2002
91. **Exclusionary Manipulation of Carbon Permit Markets: A Laboratory Test** *Carlén* November 2002
92. **An Issue of Permanence: Assessing the Effectiveness of Temporary Carbon Storage** *Herzog et al.* December 2002
93. **Is International Emissions Trading Always Beneficial?** *Babiker et al.* December 2002
94. **Modeling Non-CO₂ Greenhouse Gas Abatement** *Hyman et al.* December 2002
95. **Uncertainty Analysis of Climate Change and Policy Response** *Webster et al.* December 2002
96. **Market Power in International Carbon Emissions Trading: A Laboratory Test** *Carlén* January 2003
97. **Emissions Trading to Reduce Greenhouse Gas Emissions in the United States: The McCain-Lieberman Proposal** *Paltsev et al.* June 2003
98. **Russia's Role in the Kyoto Protocol** *Bernard et al.* Jun '03
99. **Thermohaline Circulation Stability: A Box Model Study** *Lucarini & Stone* June 2003
100. **Absolute vs. Intensity-Based Emissions Caps** *Ellerman & Sue Wing* July 2003
101. **Technology Detail in a Multi-Sector CGE Model: Transport Under Climate Policy** *Schafer & Jacoby* July 2003
102. **Induced Technical Change and the Cost of Climate Policy** *Sue Wing* September 2003
103. **Past and Future Effects of Ozone on Net Primary Production and Carbon Sequestration Using a Global Biogeochemical Model** *Felzer et al.* (revised) January 2004
104. **A Modeling Analysis of Methane Exchanges Between Alaskan Ecosystems and the Atmosphere** *Zhuang et al.* November 2003

Contact the Joint Program Office to request a copy. The Report Series is distributed at no charge.

REPORT SERIES of the MIT Joint Program on the Science and Policy of Global Change

105. **Analysis of Strategies of Companies under Carbon Constraint** Hashimoto January 2004
106. **Climate Prediction: The Limits of Ocean Models** Stone February 2004
107. **Informing Climate Policy Given Incommensurable Benefits Estimates** Jacoby February 2004
108. **Methane Fluxes Between Terrestrial Ecosystems and the Atmosphere at High Latitudes During the Past Century** Zhuang et al. March 2004
109. **Sensitivity of Climate to Diapycnal Diffusivity in the Ocean** Dalan et al. May 2004
110. **Stabilization and Global Climate Policy** Sarofim et al. July 2004
111. **Technology and Technical Change in the MIT EPPA Model** Jacoby et al. July 2004
112. **The Cost of Kyoto Protocol Targets: The Case of Japan** Paltsev et al. July 2004
113. **Economic Benefits of Air Pollution Regulation in the USA: An Integrated Approach** Yang et al. (revised) Jan. 2005
114. **The Role of Non-CO₂ Greenhouse Gases in Climate Policy: Analysis Using the MIT IGSM** Reilly et al. Aug. '04
115. **Future U.S. Energy Security Concerns** Deutch Sep. '04
116. **Explaining Long-Run Changes in the Energy Intensity of the U.S. Economy** Sue Wing Sept. 2004
117. **Modeling the Transport Sector: The Role of Existing Fuel Taxes in Climate Policy** Paltsev et al. November 2004
118. **Effects of Air Pollution Control on Climate** Prinn et al. January 2005
119. **Does Model Sensitivity to Changes in CO₂ Provide a Measure of Sensitivity to the Forcing of Different Nature?** Sokolov March 2005
120. **What Should the Government Do To Encourage Technical Change in the Energy Sector?** Deutch May '05
121. **Climate Change Taxes and Energy Efficiency in Japan** Kasahara et al. May 2005
122. **A 3D Ocean-Seaice-Carbon Cycle Model and its Coupling to a 2D Atmospheric Model: Uses in Climate Change Studies** Dutkiewicz et al. (revised) November 2005
123. **Simulating the Spatial Distribution of Population and Emissions to 2100** Asadoorian May 2005
124. **MIT Integrated Global System Model (IGSM) Version 2: Model Description and Baseline Evaluation** Sokolov et al. July 2005
125. **The MIT Emissions Prediction and Policy Analysis (EPPA) Model: Version 4** Paltsev et al. August 2005
126. **Estimated PDFs of Climate System Properties Including Natural and Anthropogenic Forcings** Forest et al. September 2005
127. **An Analysis of the European Emission Trading Scheme** Reilly & Paltsev October 2005
128. **Evaluating the Use of Ocean Models of Different Complexity in Climate Change Studies** Sokolov et al. November 2005
129. **Future Carbon Regulations and Current Investments in Alternative Coal-Fired Power Plant Designs** Sekar et al. December 2005
130. **Absolute vs. Intensity Limits for CO₂ Emission Control: Performance Under Uncertainty** Sue Wing et al. January 2006
131. **The Economic Impacts of Climate Change: Evidence from Agricultural Profits and Random Fluctuations in Weather** Deschenes & Greenstone January 2006
132. **The Value of Emissions Trading** Webster et al. Feb. 2006
133. **Estimating Probability Distributions from Complex Models with Bifurcations: The Case of Ocean Circulation Collapse** Webster et al. March 2006
134. **Directed Technical Change and Climate Policy** Otto et al. April 2006
135. **Modeling Climate Feedbacks to Energy Demand: The Case of China** Asadoorian et al. June 2006
136. **Bringing Transportation into a Cap-and-Trade Regime** Ellerman, Jacoby & Zimmerman June 2006
137. **Unemployment Effects of Climate Policy** Babiker & Eckaus July 2006
138. **Energy Conservation in the United States: Understanding its Role in Climate Policy** Metcalf Aug. '06
139. **Directed Technical Change and the Adoption of CO₂ Abatement Technology: The Case of CO₂ Capture and Storage** Otto & Reilly August 2006
140. **The Allocation of European Union Allowances: Lessons, Unifying Themes and General Principles** Buchner et al. October 2006
141. **Over-Allocation or Abatement? A preliminary analysis of the EU ETS based on the 2006 emissions data** Ellerman & Buchner December 2006
142. **Federal Tax Policy Towards Energy** Metcalf Jan. 2007
143. **Technical Change, Investment and Energy Intensity** Kratena March 2007
144. **Heavier Crude, Changing Demand for Petroleum Fuels, Regional Climate Policy, and the Location of Upgrading Capacity** Reilly et al. April 2007
145. **Biomass Energy and Competition for Land** Reilly & Paltsev April 2007
146. **Assessment of U.S. Cap-and-Trade Proposals** Paltsev et al. April 2007
147. **A Global Land System Framework for Integrated Climate-Change Assessments** Schlosser et al. May 2007
148. **Relative Roles of Climate Sensitivity and Forcing in Defining the Ocean Circulation Response to Climate Change** Scott et al. May 2007
149. **Global Economic Effects of Changes in Crops, Pasture, and Forests due to Changing Climate, CO₂ and Ozone** Reilly et al. May 2007
150. **U.S. GHG Cap-and-Trade Proposals: Application of a Forward-Looking Computable General Equilibrium Model** Gurgel et al. June 2007
151. **Consequences of Considering Carbon/Nitrogen Interactions on the Feedbacks between Climate and the Terrestrial Carbon Cycle** Sokolov et al. June 2007
152. **Energy Scenarios for East Asia: 2005-2025** Paltsev & Reilly July 2007
153. **Climate Change, Mortality, and Adaptation: Evidence from Annual Fluctuations in Weather in the U.S.** Deschênes & Greenstone August 2007

REPORT SERIES of the MIT *Joint Program on the Science and Policy of Global Change*

- 154. Modeling the Prospects for Hydrogen Powered Transportation Through 2100** *Sandoval et al.*
February 2008
- 155. Potential Land Use Implications of a Global Biofuels Industry** *Gurgel et al.* March 2008
- 156. Estimating the Economic Cost of Sea-Level Rise**
Sugiyama et al. April 2008
- 157. Constraining Climate Model Parameters from Observed 20th Century Changes** *Forest et al.* April 2008
- 158. Analysis of the Coal Sector under Carbon Constraints** *McFarland et al.* April 2008
- 159. Impact of Sulfur and Carbonaceous Emissions from International Shipping on Aerosol Distributions and Direct Radiative Forcing** *Wang & Kim* April 2008
- 160. Analysis of U.S. Greenhouse Gas Tax Proposals**
Metcalf et al. April 2008
- 161. A Forward Looking Version of the MIT Emissions Prediction and Policy Analysis (EPPA) Model**
Babiker et al. May 2008
- 162. The European Carbon Market in Action: Lessons from the first trading period** Interim Report
Convery, Ellerman, & de Perthuis June 2008
- 163. The Influence on Climate Change of Differing Scenarios for Future Development Analyzed Using the MIT Integrated Global System Model** *Prinn et al.*
September 2008
- 164. Marginal Abatement Costs and Marginal Welfare Costs for Greenhouse Gas Emissions Reductions: Results from the EPPA Model** *Holak et al.* November 2008
- 165. Uncertainty in Greenhouse Emissions and Costs of Atmospheric Stabilization** *Webster et al.* November 2008
- 166. Sensitivity of Climate Change Projections to Uncertainties in the Estimates of Observed Changes in Deep-Ocean Heat Content** *Sokolov et al.* November 2008
- 167. Sharing the Burden of GHG Reductions** *Jacoby et al.*
November 2008
- 168. Unintended Environmental Consequences of a Global Biofuels Program** *Melillo et al.* January 2009
- 169. Probabilistic Forecast for 21st Century Climate Based on Uncertainties in Emissions (without Policy) and Climate Parameters** *Sokolov et al.* January 2009
- 170. The EU's Emissions Trading Scheme: A Proto-type Global System?** *Ellerman* February 2009
- 171. Designing a U.S. Market for CO₂** *Parsons et al.*
February 2009
- 172. Prospects for Plug-in Hybrid Electric Vehicles in the United States & Japan: A General Equilibrium Analysis**
Karplus et al. April 2009
- 173. The Cost of Climate Policy in the United States**
Paltsev et al. April 2009
- 174. A Semi-Empirical Representation of the Temporal Variation of Total Greenhouse Gas Levels Expressed as Equivalent Levels of Carbon Dioxide** *Huang et al.*
June 2009
- 175. Potential Climatic Impacts and Reliability of Very Large Scale Wind Farms** *Wang & Prinn* June 2009
- 176. Biofuels, Climate Policy and the European Vehicle Fleet** *Gitiaux et al.* August 2009
- 177. Global Health and Economic Impacts of Future Ozone Pollution** *Selin et al.* August 2009