

**Proposed Motion Approved by LCC AG for Consensus Committee Consideration  
(Lorenz / Johnson 2<sup>nd</sup>) Passes 6-2-1, 2 not present**

Original AG motion shown in black and the additional modification shown in red is suggested for added clarity.

Optional Cost Effectiveness Considerations

Proponents may submit optional cost effectiveness results that evaluate the impact of carbon emissions when submitting cost effectiveness of a proposal. When submitting this information, at a minimum, proponents should evaluate carbon emissions impacts using the following:

Operational Carbon:

IWG 2021 SCC 3% average (\$51/ton CO<sub>2</sub>e):

1. Electricity operational carbon: add \$0.028/kWh\* to the cost of electricity  
\*based on national EIA fuel mix projections, will vary based on regional electricity fuel mix.
2. Fossil fuel operational carbon: add \$0.555/therm to the cost of fossil fuels

Example (from REPI-92-21) of how optional social cost of carbon analysis may get presented in a cost effectiveness analysis

- Effect of carbon price analyzed at four levels. This analysis was performed to permit the committee to identify the final climate zone exceptions that are appropriate in this section, based on the committee's final selection of a carbon price. See the following table for cost effectiveness under the four carbon pricing scenarios evaluated.

Climate Zone	Scalar Ratio Calculation							
	Carbon @ \$0/metric ton		Carbon @ \$29.63/metric ton		Carbon @ \$51/metric ton		Carbon @ \$106/metric ton	
	500 ft <sup>2</sup>	1000 ft <sup>2</sup>	500 ft <sup>2</sup>	1000 ft <sup>2</sup>	500 ft <sup>2</sup>	1000 ft <sup>2</sup>	500 ft <sup>2</sup>	1000 ft <sup>2</sup>
0A	4.4	1.5	4.0	1.4	3.7	1.3	3.2	1.2
0B	13.7	4.0	12.5	3.6	11.8	3.4	10.2	2.9
1A	44.7	8.0	40.8	7.3	38.4	6.8	33.3	9.5
1B	9.1	2.9	8.2	2.6	7.7	2.5	6.7	2.1
2A	13.7	3.9	12.4	3.6	11.6	3.4	10.0	2.8
2B	42.7	7.8	36.4	6.9	32.8	6.4	26.3	5.9
3A	10.6	3.3	9.1	2.8	8.3	2.6	6.7	2.1
3B	23.5	5.7	19.9	4.9	18.0	4.5	14.3	3.8
3C	No annual savings	No annual savings	No annual savings	No annual savings	No annual savings	No annual savings	No annual savings	No annual savings
4A	5.0	2.0	4.3	1.7	4.0	1.6	3.2	1.1
4B	9.5	3.4	8.2	3.0	7.4	2.7	5.9	2.1
4C	6.6	2.5	5.6	2.2	5.1	2.0	4.1	1.4
5A	4.0	1.6	3.4	1.4	3.1	1.3	2.5	1.0
5B	5.9	2.3	5.1	2.0	4.6	1.8	3.7	1.4
5C	4.8	1.9	4.2	1.7	3.8	1.5	3.1	1.1
6A	3.2	1.3	2.7	1.2	2.5	1.1	2.0	0.8
6B	3.9	1.6	3.3	1.4	3.0	1.3	2.5	1.0
7	2.5	1.0	2.1	0.9	1.9	0.8	1.6	0.6
8	1.9	0.8	1.6	0.7	1.5	0.6	1.2	0.5