

Appendix IV – Carbon Tax Implications Based on 2018 Regional Fossil Fuel Use

Assumptions:

- Values presented in millions of dollars.
- No discount rate factored in
- No escalation of renewable content blended into fossil fuels
- 2018 fuel use with renewable blends not included (*E85 gasoline and biodiesel only accounted for 321 kg of CO₂e in 2018*)
- Carbon tax escalation occurs on April 1st of every year. The timing of escalations has been taken into account with respect to Regional fiscal (calendar) years.

Figure 4A.1

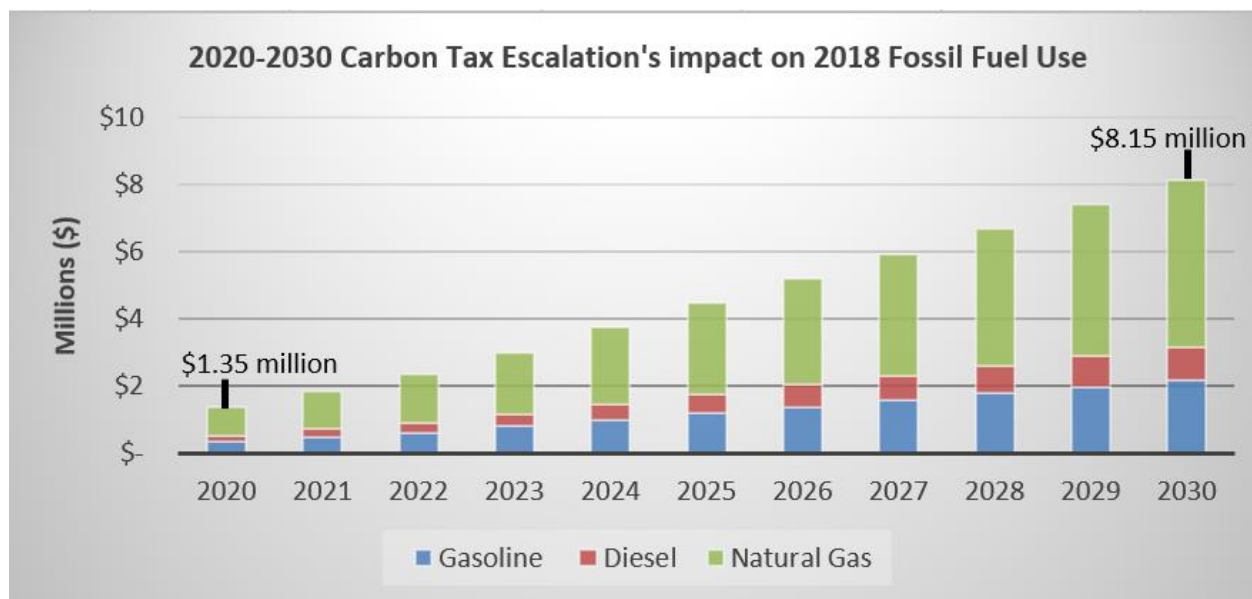


Figure 4A.2

Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	TOTALS
Annual Carbon Tax (\$ / t CO₂e)	\$30	\$40	\$50	\$65	\$80	\$95	\$110	\$125	\$140	\$155	\$170	n/a
Gasoline	\$ 0.359	\$ 0.490	\$ 0.620	\$ 0.800	\$ 0.995	\$ 1.191	\$ 1.387	\$ 1.583	\$ 1.779	\$ 1.974	\$ 2.170	\$ 13.348
Diesel	\$ 0.166	\$ 0.226	\$ 0.287	\$ 0.369	\$ 0.460	\$ 0.550	\$ 0.641	\$ 0.731	\$ 0.822	\$ 0.912	\$ 1.003	\$ 6.168
Natural Gas	\$ 0.822	\$ 1.121	\$ 1.421	\$ 1.832	\$ 2.280	\$ 2.729	\$ 3.178	\$ 3.626	\$ 4.075	\$ 4.523	\$ 4.972	\$ 30.579
TOTAL	\$ 1.347	\$ 1.837	\$ 2.327	\$ 3.001	\$ 3.736	\$ 4.471	\$ 5.205	\$ 5.940	\$ 6.675	\$ 7.410	\$ 8.145	\$ 50.095
Year over Year Difference	n/a	\$ 0.490	\$ 0.490	\$ 0.674	\$ 0.735	\$ 0.735	\$ 0.735	\$ 0.735	\$ 0.735	\$ 0.735	\$ 0.735	n/a