

Market Mechanisms and Incentives: Applications to Environmental Policy

A Workshop sponsored by U.S. Environmental Protection Agency's National Center for Environmental Economics (NCEE) and National Center for Environmental Research (NCER)

Resources for the Future
1616 P Street, NW, Washington, DC 20036
(202) 328-5000

Wednesday, April 29, 2009

Disclaimer

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- 8:30 a.m. – 9:15 a.m.** **Registration**
- 9:15 a.m. – 9:30 a.m.** **Introductory Remarks:** *Julie Hewitt, Chief, Economic and Environmental Assessment Branch, Office of Water*
- 9:30 a.m. – 11:20 a.m.** **Session I: Fuel Economy and Gasoline Prices**
Session Moderator: *Cynthia Morgan, EPA, National Center for Environmental Economics*
- 9:30 a.m. – 10:00 a.m. Imperfect Competition, Consumer Behavior, and the Provision of Fuel Efficiency in Vehicles
Carolyn Fischer, Resources for the Future
- 10:00 a.m. – 10:30 a.m. New Vehicle Characteristics and the Cost of the Corporate Average Fuel Economy Standard
Thomas Klier, Federal Reserve Bank of Chicago, and Joshua Linn, University of Illinois at Chicago
- 10:30 a.m. – 10:40 a.m. Discussant: *Gloria Helfand, University of Michigan, and EPA, Office of Transportation and Air Quality*
- 10:40 a.m. – 10:50 a.m. Discussant: *Winston Harrington, Resources for the Future*
- 10:50 a.m. – 11:20 a.m. Questions and Discussion
- 11:20 a.m. – 12:30 p.m.** **Lunch** (On Your Own)
- 12:30 p.m. – 1:30 p.m.** Panel Discussion: Role of Market Mechanisms and Incentives to Climate Change
Moderator: *Dick Morgenstern, Resources for the Future*
Panelist: *Joe Aldy, Special Assistant to the President for Energy and the Environment*
David McIntosh, Senior Counsel in the Office of Congressional and Intergovernmental Relations
Brian Murray, Duke University
- 1:30 p.m. – 1:40 p.m.** **Break**
- 1:40 p.m. – 3:30 p.m.** **Session II: Applications of Environmental Trading Programs**
Session Moderator: *Will Wheeler, EPA, National Center for Environmental Economics*
- 1:40 p.m. – 2:00 p.m. An Experimental Analysis of Compliance in Dynamic Emissions Markets: Theory and Experimental Design
John Stranlund, University of Massachusetts - Amherst, James Murphy, University of Alaska – Anchorage, and John Spraggon, University of Massachusetts - Amherst

2:00 p.m. – 2:30 p.m. Can Markets for Development Rights Improve Land Use and Environmental Outcomes?
Virginia McConnell, Elena Safirova, Margaret Walls, and Nick Magliocca, Resources for the Future

2:30 p.m. – 2:35 p.m. Discussant: *Heather Klemick, EPA, National Center for Environmental Economics*

2:35 p.m. – 3:05 p.m. Preliminary Findings and Observations on Ohio's Great Miami River Water Quality Credit Trading Program
Richard Woodward, Texas A&M University

3:05 p.m. – 3:10 p.m. Discussant: *Hale Thurston, EPA, National Risk Management Research Laboratory*

3:10 p.m. – 3:30 p.m. Questions and Discussion

3:30 p.m. – 3:40 p.m.

Break

3:40 p.m. – 5:30 p.m.

Session III: Winners and Losers in Cap and Trade

Session Moderator: *Charles Griffiths, EPA, National Center for Environmental Economics*

3:40 p.m. – 4:10 p.m. Paving the Way for Climate Policy: Compensation for Electricity Consumers and Producers Under a CO₂ Cap and Trade Policy
Karen Palmer, Dallas Burtraw, and Anthony Paul, Resources for the Future

4:10 p.m. – 4:40 p.m. When Does Cap-and-Trade Increase Regulated Firms' Profits?
Dave Evans, EPA, National Center for Environmental Economics; Ian Lange, University of Stirling; and Joshua Linn, University of Illinois at Chicago

4:40 p.m. – 4:50 p.m. Discussant: *Ann Wolverton, EPA, National Center for Environmental Economics*

4:50 p.m. – 5:00 p.m. Discussant: *Terry Dinan, Congressional Budget Office*

5:00 p.m. – 5:30 p.m. Questions and Discussion

5:30 p.m.

Adjournment