

Have you run out of energy?

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Imagine having your own annual greenhouse gas allowance which you 'spend' each time you fill up with petrol or pay an electric or gas bill. It sounds like a scene from a futuristic movie, but this scenario could really happen in the next few years according to researchers at the UK's Tyndall Centre for Climate Change Prediction.

Dr Kevin Anderson and Richard Starkey are investigating a system of personal trading for carbon emissions. Instead of people being forced to pay a carbon 'tax', much as we have to pay income tax and council tax, we would each hold an allowance from which units would be deducted. Welcome to life under Domestic Tradable Quotas, or DTQs.

With DTQs, every adult in the UK would have an equal number of units and would be able to choose how they spend those units. If they are high users they would be able to buy any available surplus units from low users.

Said Dr Anderson, "This system is about people being able to make choices. And allocating emissions units on a 'per capita' basis is surely fairer than doing so simply on the basis of what people can afford to pay. It doesn't matter if you're a Duke or a dustman - you all have the same allocation."

David Fleming, an independent researcher, originally came up with the idea of DTQs and is working closely with the Tyndall Centre on the project. He said, " Some years ago I was looking into the problems of transport and congestion, and I thought about how imposing a carbon tax

could be hard for poor people to bear. I reflected that if the economy of the future was affected by climate change * or by drastic action to mitigate it * or by fuel shortages, the number of poor people could rise sharply. It occurred to me that a system of rationing could be the answer." "When I was a child, in the years after the war, I didn't like sweets and sold my sweet rations to other children. I suppose, in a sense, I've been thinking about DTQs all my life," he added.

Climate change is increasingly recognised as a serious threat and the world's governments are committed to doing something to reduce the amount of greenhouse gases we release into the atmosphere. The UK Government's Energy White Paper sets the target of 60% reduction of emissions by 2050. So how will DTQs measure up as a mechanism for emissions reduction?

The standard test for a proposed environmental policy measure is to assess it against the three 'Es' : equity - is it fair?; effectiveness - will it achieve its target?; and efficiency - will it do so cost-effectively? If every person in the country had a personal allocation of 'carbon units', and every organisation or business had an allocation, we would all be working towards meeting national energy targets.

The idea is being seriously considered - it has already had a hearing during a ten-minute rule bill at the House of Commons. A second reading in the House is scheduled for next month.

Dr Anderson said " DTQs are a viable alternative to carbon taxes. As people make their choices the system will help drive the market to lower carbon approaches. We've all seen how protests can bring the country to a halt if the price of petrol increases by just a few pence. DTQs could nurture much needed public support -it's all about giving people choices."

Source: Natural Environment Research Council

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