Comments by:

Patrick J. Michaels and Paul C. Knappenberger
Center for the Study of Science
Cato Institute
Washington, DC

on the

Energy Conservation Program for Consumer Products: Landmark Legal Foundation; Petition for Reconsideration

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Agency: Energy Efficiency and Renewable Energy Office (EERE)

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Comment:

Summary

The Petition for Reconsideration of the final rule of Energy Conservation Standards for Standby Mode and Off Mode for Microwave Ovens, Docket No. EERE-2011-BT-STD-0048, RIN 1904-AC07, 78 FR 36316 (June 17, 2013) ("Microwave Final Rule") should be granted based upon the inclusion of and reliance on an inadequately updated determination of the social cost of carbon (SCC)—a determination which was not subject to prior public comment and was not a "logical outgrowth" of the 2010 SCC determination. New, relevant, readily-available, and influential science on a topic considered to be a "key factor" in the determination of the SCC—the distribution of the estimated value of the equilibrium climate sensitivity (ECS)—was not included in the 2013 SCC update used in the final rulemaking. Had the new science concerning the likely value of the ECS been incorporated in the updated SCC analysis, it is certain that the 2013 determination of the SCC would have been substantially different—a result which may have led to an alternate Rulemaking by the DOE. Thus, the Petition for Reconsideration should be approved and a new DOE analysis be undertaken, one which more critically examines the SCC and how it is determined (including the consideration of public comments). In its current form, the 2013 SCC determination is incomplete and inaccurate and should not be used to justify new rules and regulations including the Microwave Final Rule.

Discussion and Analysis

While it is reasonable to consider periodic updates to the determination of the SCC as new, relevant information becomes available, it is unreasonable, when making such updates, not to consider all relevant informational changes that have occurred in the time since the previous determination had been made.

In May 2013, the Interagency Working Group (IWG) produced an updated SCC value by applying updates to the underlying three Integrated Assessment Models (IAMs) used in its initial 2010 SCC determination, but did not update the equilibrium climate sensitivity (ECS) employed in the IAMs. This was not done, despite there having been, since January 1, 2011, at least 10 new studies and 16 experiments (involving more than 42 researchers) examining the ECS, each lowering the best estimate and tightening the error distribution about that estimate. Instead, the IWG wrote in its 2013 report: "It does not revisit other interagency modeling decisions (e.g., with regard to the discount rate, reference case socioeconomic and emission scenarios, or equilibrium climate sensitivity)."

The earth's equilibrium climate sensitivity is defined in the Interagency Working Group on Social Cost of Carbon 2010 (hereafter, IWG2010) report as "the long-term increase in the annual global-average surface temperature from a doubling of atmospheric CO2 concentration relative to pre-industrial levels (or stabilization at a concentration of approximately 550 parts per million (ppm))" and is recognized as "a key input parameter" for the integrated assessment models used to determine the social cost of carbon.

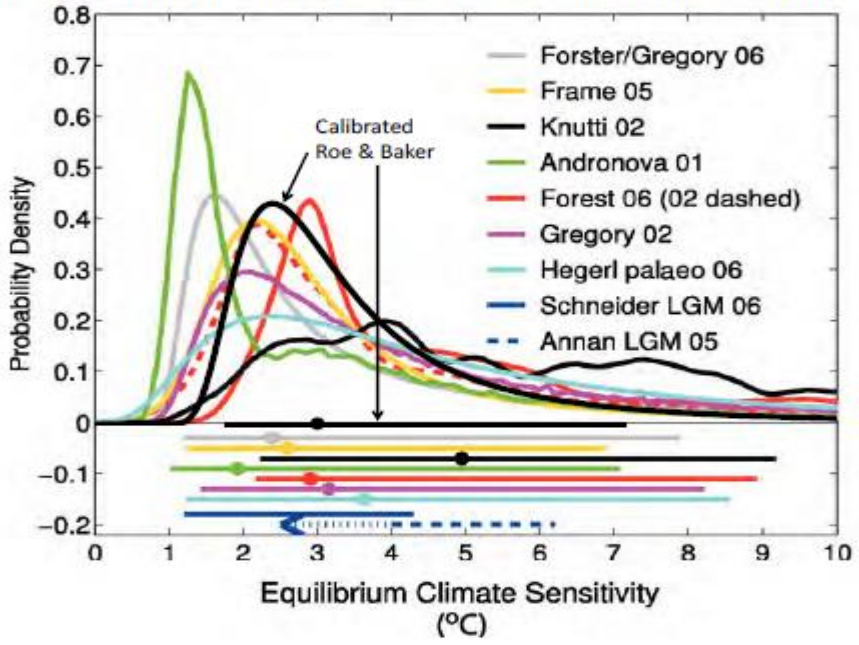
The IWG2010 report has an entire section (Section III.D) dedicated to describing how an estimate of the equilibrium climate sensitivity and the scientific uncertainties surrounding its actual value are developed and incorporated in the IWG's analysis. The IWG2010, in fact, developed its own probability density function (pdf) for the ECS and used it in each of the three IAMs, superseding the ECS pdfs used by the original IAMs developers. The IWG's intent was to develop an ECS pdf which most closely matched the description of the ECS as given in the *Fourth Assessment Report* of the United Nation's Intergovernmental panel on Climate Change which was published in 2007.

The functional form adopted by the IWG2010 was a calibrated version of Roe and Baker (2007) distribution. It was described in the IWG2010 report in the following Table and Figure (from the IWG2010 report):

Table 1: Summary Statistics for Four Calibrated Climate Sensitivity Distributions

	Roe & Baker	Log-normal	Gamma	Weibull
Pr(ECS < 1.5°C)	0.013	0.050	0.070	0.102
Pr(2°C < ECS < 4.5°C)	0.667	0.667	0.667	0.667
5th percentile	1.72	1.49	1.37	1.13
10th percentile	1.91	1.74	1.65	1.48
Mode	2.34	2.52	2.65	2.90
Median (50th percentile)	3.00	3.00	3.00	3.00
Mean	3.50	3.28	3.19	3.07
90th percentile	5.86	5.14	4.93	4.69
95th percentile	7.14	5.97	5.59	5.17

Figure 2: Estimates of the Probability Density Function for Equilibrium Climate Sensitivity (°C)

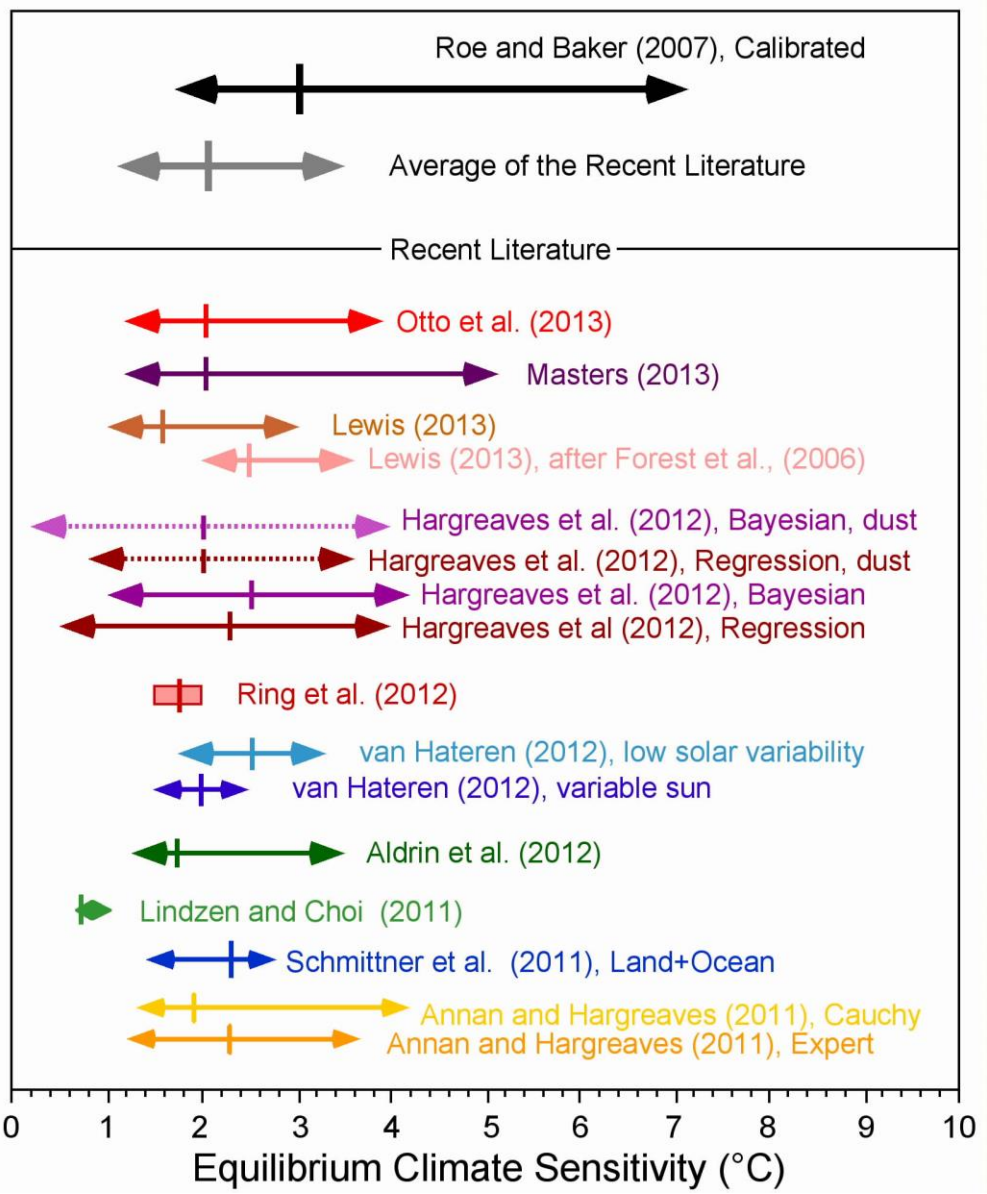


The calibrated Roe and Baker functional form used by the IWG2010 is *no longer scientifically defensible;* neither was it so at the time of the publication of the DOE Microwave Final Ruling nor at the time of the publication of the IWG 2013 SCC update.

The figure below vividly illustrates this fact, as it compares the best estimate and 90% confidence range of the earth's ECS as used by the IWG2010/2013 (calibrated Roe and Baker) against the findings in the scientific literature published since January 1, 2011.

Whereas the IWG2010/2013 ECS distribution has a median value of 3.0°C and 5th and 95th percentile values of 1.72°C and 7.14°C, respectively, the corresponding values averaged from the recent scientific literature are 2.0°C (median), 1.1°C (5th percentile), and 3.5°C (95th percentile).

These differences undoubtedly will have large and significant impacts on the SCC determination.



The median (indicated by the small vertical line) and 90% confidence range (indicated by the horizontal line with arrowheads) of the climate sensitivity estimate used by the Interagency Working Group on the Social Cost of Carbon Climate is indicated by the top black arrowed line. The average of the similar values from 16 different determinations reported in the recent scientific literature is given by the grey arrowed line (second line from the top). The sensitivity estimates from the 16 individual determinations of the ECS as reported in new research published after January 1, 2011 are indicated by the colored arrowed lines. The arrows indicate the 5 to 95% confidence bounds for each estimate along with the best estimate (median of each probability density function; or the mean of multiple estimates; colored vertical line). Ring et al. (2012) present four estimates of the climate sensitivity and the red box encompasses those estimates.

The IWG2010 report noted that, concerning the low end of the ECS distribution, its determination reflected a greater degree of certainty that a low ECS value could be excluded than did the IPCC. From the IWG2010 (p. 14):

> "Finally, we note the IPCC judgment that the equilibrium climate sensitivity "is very likely larger than 1.5°C." Although the calibrated Roe & Baker distribution, for which the probability of equilibrium climate sensitivity being greater than 1.5°C is almost 99 percent, is not inconsistent with the IPCC definition of "very likely" as "greater than 90 percent probability," it reflects a greater degree of certainty about very low values of ECS than was expressed by the IPCC."

In other words, the IWG used its judgment that the lower bound of the ECS distribution was higher than the IPCC 2007 assessment indicated. However, the collection of the recent literature on the ECS shows the IWG's judgment to be in error. As can be seen in the chart above, the large majority of the findings on ECS in the recent literature indicate that the lower bound (i.e., 5th percentile) of the ECS distribution is lower than the IPCC 2007 assessment. And, the average value of the 5th percentile in the recent literature (1.1°C) is 0.62°C less than that used by the IWG—a sizeable and important difference which will influence the SCC determination.

But even more influential in the SCC determination is the upper bound (i.e., 95th percentile) of the ECS probability distribution.

The IWG2010 notes (p.14) that the calibrated Roe and Baker distribution better reflects the IPCC judgment that "values substantially higher than 4.5°C still cannot be excluded." The IWG2010 further notes that

> "Although the IPCC made no quantitative judgment, the 95th percentile of the calibrated Roe & Baker distribution (7.1 °C) is much closer to the mean and the median (7.2 °C) of the 95th percentiles of 21 previous studies summarized by Newbold and Daigneault (2009). It is also closer to the mean (7.5 °C) and median (7.9 °C) of the nine truncated distributions examined by the IPCC (Hegerl, et al., 2006) than are the 95th percentiles of the three other calibrated distributions (5.2-6.0 °C)."

In other words, the IWG2010 turned towards surveys of the scientific literature to determine its assessment of an appropriate value for the 95th percentile of the ECS distribution. Now, more than three years hence, the scientific literature tells a completely different story.

Instead of a 95th percentile value of 7.14°C, as used by the IWG2010, a survey of the recent scientific literature suggests a value of 3.5°C—more than 50% lower.

And this is very significant and important difference because the high end of the ECS distribution has a large impact on the SCC determination—a fact frequently commented on by the IWG2010.

For example, from IWG2010 (p.26):

> "As previously discussed, low probability, high impact events are incorporated into the SCC values through explicit consideration of their effects in two of the three models as well as the use of a probability density function for equilibrium climate sensitivity. Treating climate sensitivity probabilistically results in more high temperature outcomes, which in turn lead to higher projections of damages. Although FUND does not include catastrophic damages (in contrast to the other two models), its probabilistic treatment of the equilibrium climate sensitivity parameter will directly affect the non-catastrophic damages that are a function of the rate of temperature change."

And further (p.30):

> *Uncertainty in extrapolation of damages to high temperatures*: The damage functions in these IAMs are typically calibrated by estimating damages at moderate temperature increases (e.g., DICE was calibrated at 2.5 °C) and extrapolated to far higher temperatures by assuming that damages increase as some power of the temperature change. Hence, estimated damages are far more uncertain under more extreme climate change scenarios.

And the entirety of Section V [sic] "A Further Discussion of Catastrophic Impacts and Damage Functions" of the IWG 2010 report describes "tipping points" and "damage functions" that are probabilities assigned to different values of global temperature change. Table 6 from the IWG2010 indicated the probabilities of various tipping points.

Table 6: Probabilities of Various Tipping Points from Expert Elicitation -

Possible Tipping Points	Duration before effect is fully realized (in years)	Additional Warming by 2100		
		0.5-1.5 C	1.5-3.0 C	3-5 C
Reorganization of Atlantic Meridional Overturning Circulation	about 100	0-18%	6-39%	18-67%
Greenland Ice Sheet collapse	at least 300	8-39%	33-73%	67-96%
West Antarctic Ice Sheet collapse	at least 300	5-41%	10-63%	33-88%
Dieback of Amazon rainforest	about 50	2-46%	14-84%	41-94%
Strengthening of El Niño-Southern Oscillation	about 100	1-13%	6-32%	19-49%
Dieback of boreal forests	about 50	13-43%	20-81%	34-91%
Shift in Indian Summer Monsoon	about 1	Not formally assessed		
Release of methane from melting permafrost	Less than 100	Not formally assessed.		

The likelihood of occurrence of these low probability, high impact events ("tipping points") is *greatly* diminished under the new ECS findings. The average 95th percentile value of the new literature survey is only 3.5°C indicating a very low probability of a warming reaching 3-5°C by

2100 as indicated in the 3rd column of the above Table and thus a significantly lower probability that such tipping points will be reached. This new information will have a large impact on the final SCC determination using the IWG's methodology.

Conclusion

The strong dependence of the social cost of carbon on the distribution of the estimates of the equilibrium climate sensitivity (including the median, and the upper and lower certainty bounds) requires that the periodic updates to the IWG SCC determination must include an examination of the scientific literature on the topic of the equilibrium climate sensitivity. There is no indication that the IWG undertook such an examination. But what is clear, is that the IWG did not alter its probability distribution of the ECS between its 2010 and 2013 SCC determination, despite a large and growing body of scientific literature that substantially alters and better defines the scientific understanding of the earth's ECS. It is unacceptable that a supposed "updated" social cost of carbon does not include updates to the science underlying a critical and key aspect of the SCC.

As such the social cost of carbon used by the DOE in its Microwave Final Rule is unsupported by the scientific literature and unsuitable for rulemaking.

The Petition for Reconsideration of the Microwave Final Rule requested by the Landmark Legal Foundation should be granted based upon this deficiency.

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