



Citizens' Climate Lobby

Regional REMI Summary for the East South Central (ESC) Region (Alabama, Kentucky, Mississippi, Tennessee)

National Highlights in 2025:

- 2.1 million more jobs with Fee and Dividend (F&D).
- CO2 emissions 31% below 1990 levels.
- 90,000 American lives saved from better air quality.
- \$80 - \$90 annual billion increase in GDP.

ESC-Specific Findings:

Gross Regional Product (GRP):

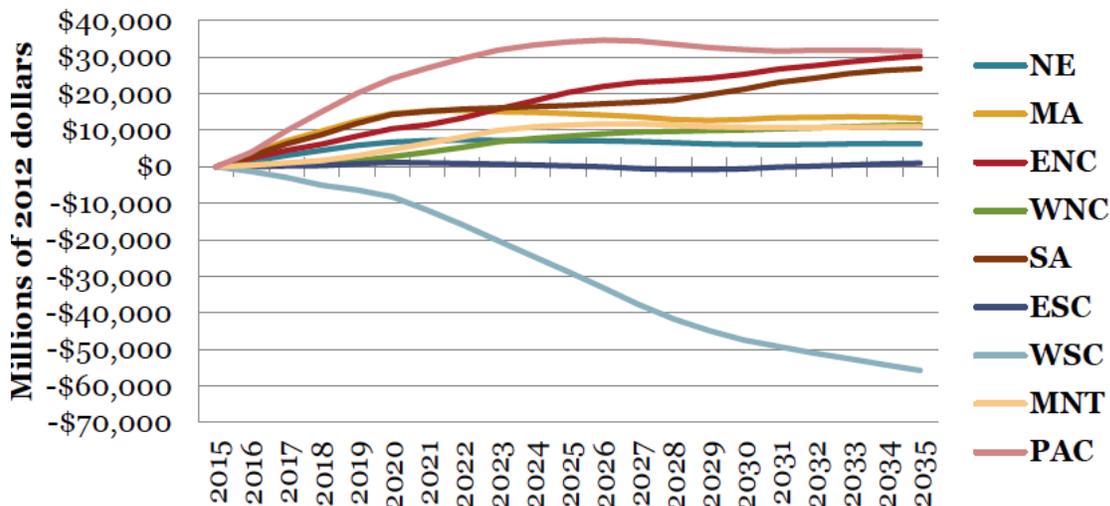


Figure 1: Gross Regional Product (GRP) Changes in the Nine Regions (p. 21). ESC has a nearly neutral growth of -\$1.3 billion by 2025. After 2030 the change in GRP is slightly positive (p. 100). [Note: all numbers for this graph, and all graphs, are relative to the baseline \$0 carbon fee scenario in the models.]

2025: Top 3 Industry Winners (GRP)

- 1) Ambulatory Health Services (+\$1.3 billion (b) to GRP)
- 2) Retail Trade (+\$0.9b)
- 3) Monetary authorities ... (+\$0.6b)

2025: Top 3 Industry Losers (GRP)

- 1) Mining (except oil and gas) (-\$2.6b)
- 2) Petrol. And coals manufacture (-\$1.4b)
- 3) Utilities (-\$0.9b)

Net of all industries in 2025: -\$1.3 billion to regional GRP.

Count of the industries considered in 2025: 41 add to and 26 subtract from GRP.

Employment:

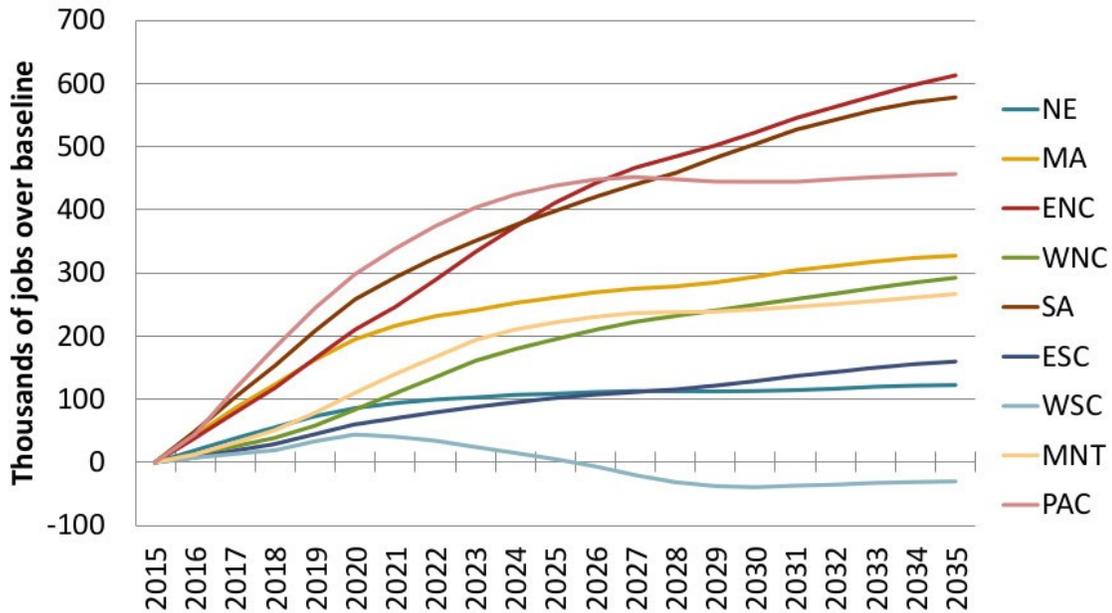


Figure 2: Regional breakdown of employment increases (p. 20). ESC adds +99,000 more jobs by 2025 with F&D than without, and +158,000 by 2035 (p. 101). While this is below the average for the 9 regions, many more industries add jobs than lose jobs, and the region is clearly richer with F&D than without.

2025: Top 3 Job Winners

- 1) Ambulatory Health Services (+18 thousand (k) jobs)
- 2) Retail Trade (+15k)
- 3) Construction (+11k)

2025: Top 3 Job Losers

- 1) Mining (except oil and gas) (-7k)
- 2) Oil and Gas Extraction (-2k)
- 3) Utilities (-1k)

Net of all industries in 2025: +99,000 jobs.

Count of the industries considered in 2025: 27 add jobs, 7 lose jobs, 33 have no change.

Energy Production:

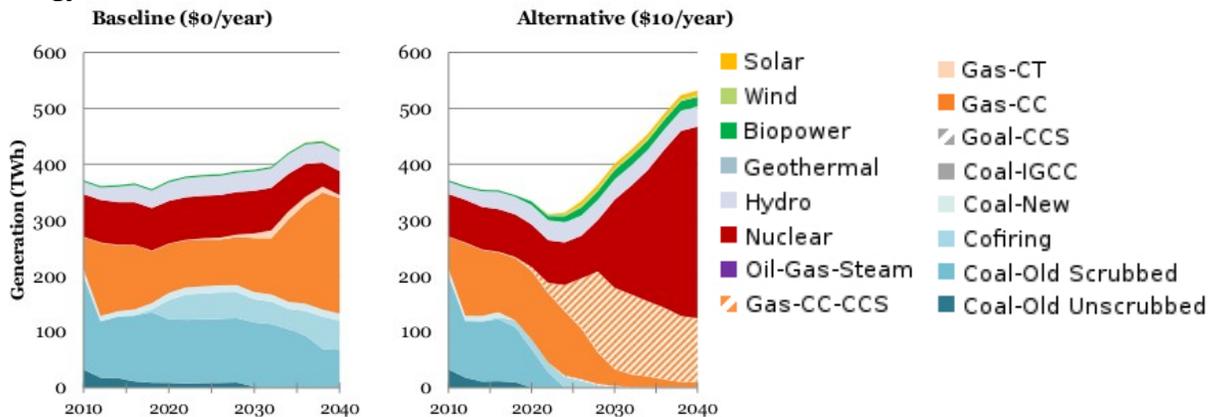


Figure 3: Electrical Power Generation (p. 99). Coal is nearly phased out by 2025 and completely so by 2030. Natural gas keeps up its production while transitioning into the cleaner carbon capture and storage method, made cost-effective under F&D. To take up the gap left by

coal, nuclear energy production sees a substantial growth starting at 2030. ESC and SA are the only regions that increase nuclear production, and thus account for the uptick for the national numbers in Figure 3.30. Because of this increase in nuclear power, ESC produces ~20% more energy available for use within the region or export to other regions with F&D than otherwise.

Real Income:

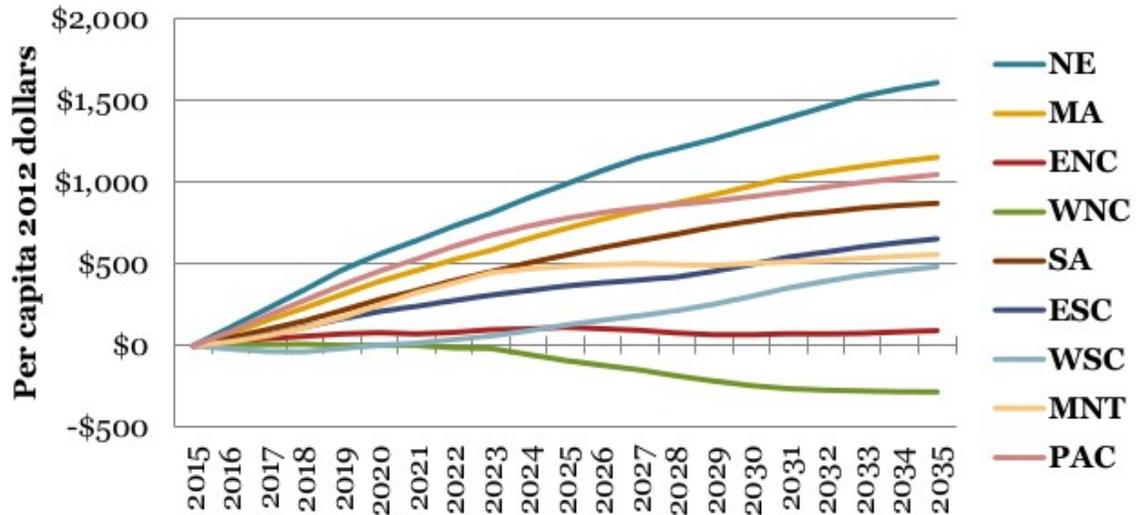


Figure 4: Real Income Per Capita (p. 38). This reflects the increase in income per person after accounting for increased cost of living (up by 2.2% in 2025; p. 33), increased energy prices (peaking in 2026 then dropping; p. 34), net of the impact to the labor market, F&D checks, as well as population and demographic trends. Also worth noting is that the inflation over the entire 20-year period for the region is equivalent to adding one “extra” year of inflation.

Other notable findings:

The biggest growth occupations for the region in 2025 are retail sales workers (+9,000 jobs), health diagnosing and treating practitioners (+7,000 jobs), and construction trades workers (+5,000 jobs). These occupations are winners because of the dividend, which boosts consumer spending, and thus results in job gains in labor-intensive industries. While many of these jobs are entry-level, they beat unemployment, and indeed the poorest 20% of Americans see the largest boost in employment.

Conclusions:

The region’s relatively lower growth is attributable to importance of coal mining to the region’s economy. Perspective here is important: 3,000 extraction worker jobs are lost, 1,000 air transportation worker jobs are lost, but all of the other 93 occupations tracked in the REMI study either remain neutral or gain jobs for a net of +100,000 jobs (p. 102-3). Clearly, there will be more jobs for ESC residents. Furthermore, 41 of the 67 industries tracked grow with F&D, meaning nearly twice as many industries are wealthier than are poorer with this policy. Though coal decreases, nuclear expands, meaning ESC is producing 20% more energy it can export to other regions with F&D than without.

Full report: <http://citizensclimatelobby.org/wp-content/uploads/2014/06/REMI-carbon-tax-report-62141.pdf>