*Detailed Instructions for Study Questions:*

During the live sessions, Professor Stavins will randomly select participants to share their answers for each Study Question. Study Questions are based closely on the recorded lectures. We suggest that you:

* Read the Study Questions once, *prior*to viewing the recorded lectures;
* Have the Study Questions available for reference *while*you view the recorded lecture;
* Prepare notes for yourself in response to each question *after*viewing the lecture – in case you wish to respond during the live session (or are called upon to do so!). (NOTE: You will not be required to submit written responses at any time during the week.)
* Refer to the MS PowerPoint presentations as needed. For each recorded Lecture by Professor Stavins, you will find two PDF versions of his slides: one in color, one slide per page; and one in black and white, two slides per page, for easy printing.
* Discuss your thoughts and notes on the study questions with your fellow-Study-Team members each morning before the live sessions.

**Session 5: Policy Interactions, Local Impacts, and Distributional Equity**

1. Why might an economy-wide carbon-pricing system result in different levels of emissions reductions in different sectors? (See also Study Question 3 for Session 4.)
2. Describe how some “complementary policies” might result in *no* additional CO2- emissions reductions beyond those achieved by a CO2 cap-and-trade system.
3. How do some “complementary policies” affect the cost of reducing emissions and affect allowance prices under cap-and-trade systems?
4. How can sub-national policies be important in addressing climate change? Provide an example of a sub-national policy and describe why it is important.
5. When might sub-national policies result in problematic, benign, or positive interactions with a national cap-and-trade system? What is a potential example of each?
6. In assessing the environmental (and health) impacts of a climate-change policy, why is it important to consider “correlated pollutants”? (Please include comments on Environmental Justice [EJ].)
7. Do carbon-pricing (market-based) climate-change policies increase EJ impacts?

**Session 6: Technological Change and Energy Efficiency**

1. Why is technological change in energy efficiency important for efforts to address climate change?
2. Why are policies that encourage energy efficiency politically popular?
3. Define the “energy paradox.” Define the “energy efficiency gap.”
4. According to Joseph Schumpeter, what are the three stages of technological change? At which stage does the “energy paradox” appear?
5. Briefly describe and provide examples of the following possible explanations for the energy efficiency paradox/gap:
   1. Market-failure explanations
   2. Behavioral explanations
   3. Model and measurement explanations
6. What are the implications for public policy of each of the above potential explanations?