### (a) Scocial Cost of Carbon (in U.S. \$)

600

500

400

300

200

0.12

0.10

0.08

0.06

0.04

0.02

0.00

 $\gamma = 7$ 

 $\gamma = 2$ 

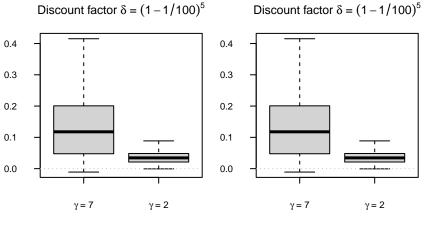
## Discount factor $\delta = (1 - 1/100)^5$ Discount factor $\delta = (1 - 1/100)^5$ 600 500 400

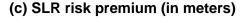
300 200

 $\gamma = 2$ 

 $\gamma = 7$ 

## (b) Temperature risk premium (in °C)





#### Discount factor $\delta = (1 - 1/100)^5$ Discount factor $\delta = (1 - 1/100)^5$ 0.12 0.10 0.08 0.06 0.04 0.02 0.00 $\gamma = 7$ $\gamma = 2$ $\gamma = 7$ $\gamma = 2$

# (d) Long-term rate (in percent)

