



PBL Netherlands Environmental  
Assessment Agency

## Benefits of climate mitigation in IAMs

The role of the carbon cycle  
and climate component

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## Messages

- Benefits of mitigation (avoided climate damages) strongly depend on climate model of IAMs
- IAMs that find relatively high “optimal” levels of global warming (e.g. FUND) use climate models that lead to low benefits of mitigation
- Climate sensitivity not the most important factor explaining differences in benefits of mitigation: temperature response time is
- The climate components of most IAMs lead to benefits that are in the lower bound of the MAGICC 90% confidence interval

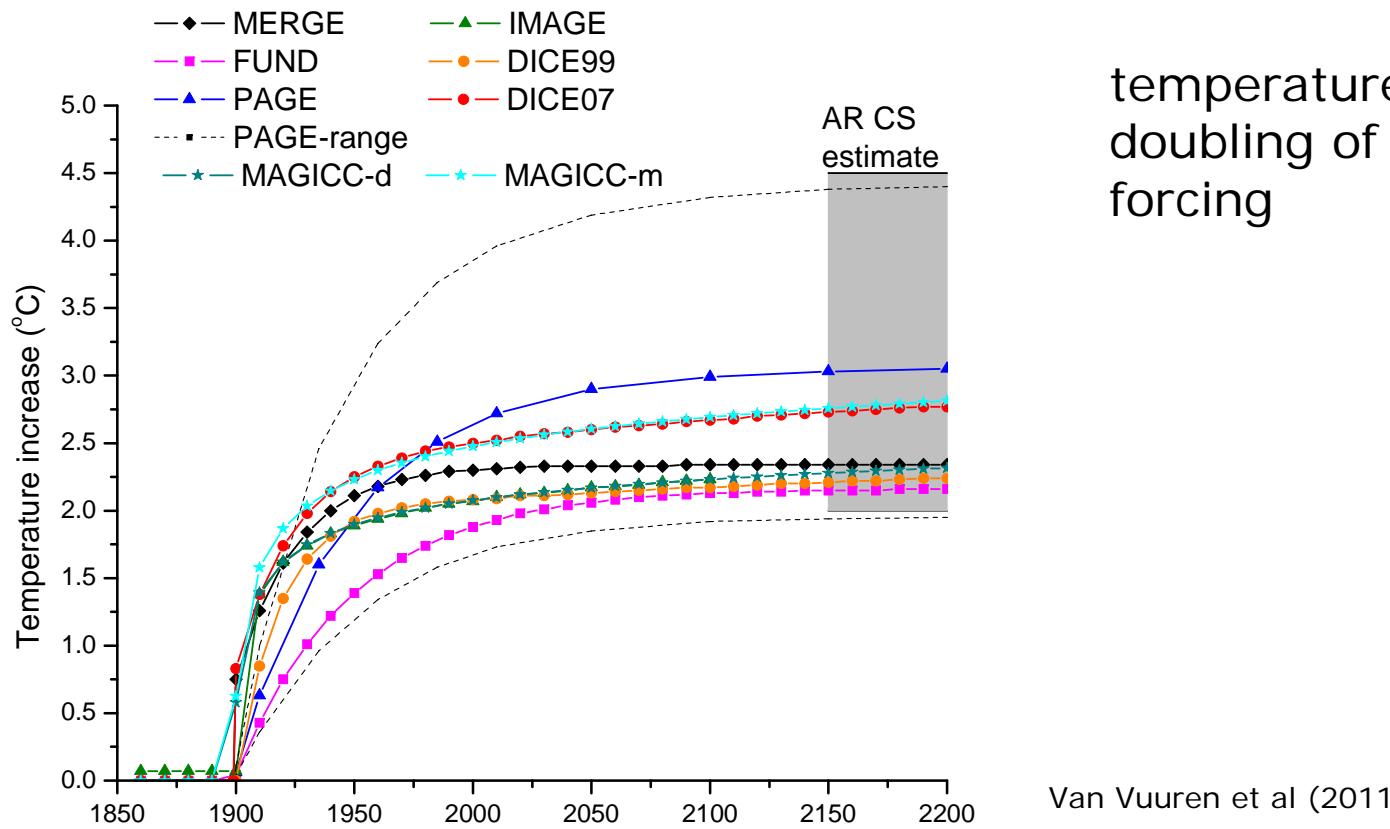


## Background

- IAM models not intended to create new knowledge on climate science, but should use outcomes from complex climate models and their uncertainty
  - Van Vuuren et al (2011) & Warren et al (2010) showed that climate response of IAMs is not always within the large uncertainty range of “expert” models
  - Is this important? Do differences in climate response affect the benefits of mitigation?
- 
- van Vuuren DP, Lowe J, Stehfest E, Gohar L, Hof AF, Hope C, Warren R, Meinshausen M, Plattner G-K (2010) How well do integrated assessment models simulate climate change? *Clim Change* 104(2), 255-285
  - Warren R, Mastrandrea MD, Hope C, Hof AF (2010) Variation in the climatic response to SRES emissions scenarios in integrated assessment models. *Clim Change* 102(3), 671-685



## Background: differences in temperature response of pulse experiment



temperature effect of  
doubling of radiative  
forcing



## Determining the effect of climate model on benefits of mitigation (only CO2!)

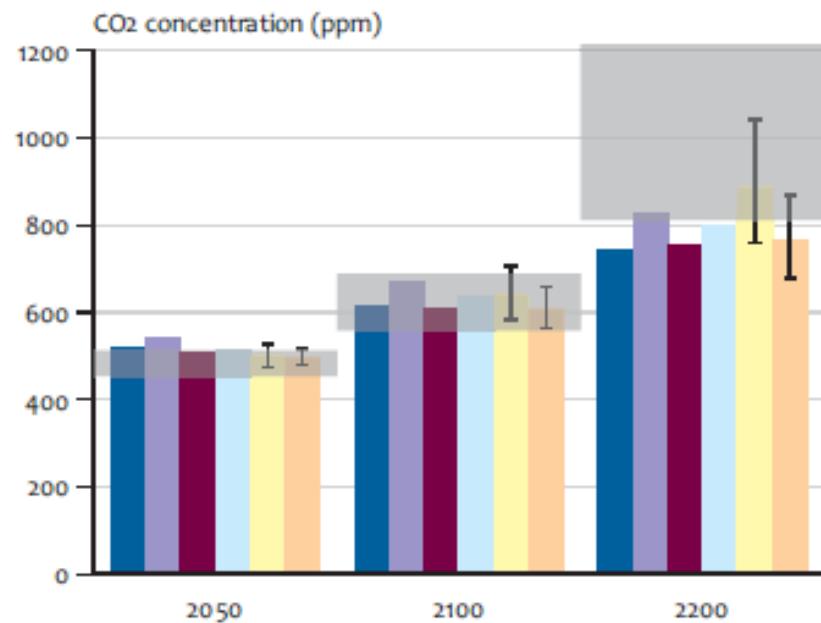
*Baseline emissions* → *Carbon cycle* → *Climate response* → *Damage function* → *Discounting method*

B2*	FUND 2.8 & 3.3*	DICE-2009*	DICE-2009*	2.5% fixed*
A2	DICE-2007	DICE-2007	Low alternative	DICE
	DICE-2009	FUND 2.8		Stern
	PAGE-2002	FUND 3.3		UK Green Book
	PAGE09	PAGE-2002		
	MERGE 5.1	PAGE09		
	MAGICC 6.0	MERGE 5.1		
		MAGICC 6.0		

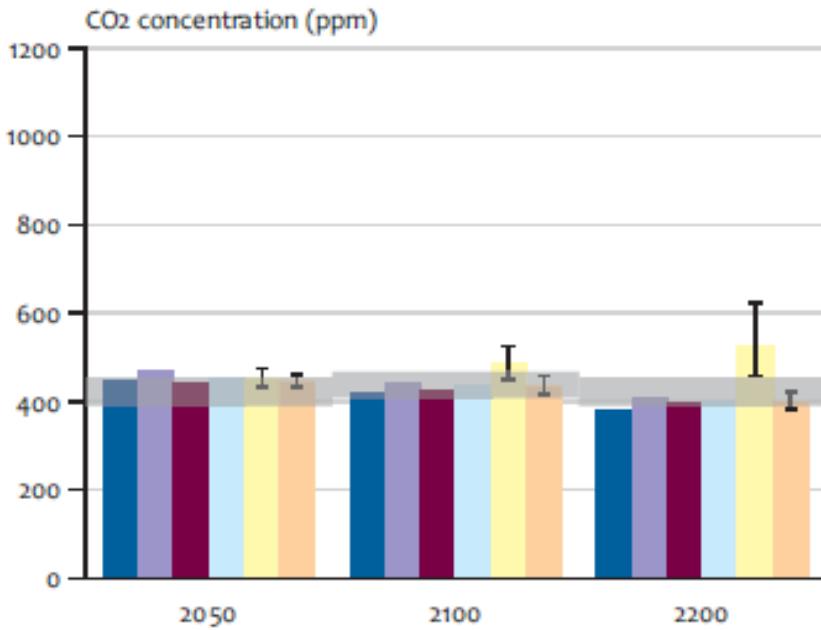


# Sensitivity of carbon cycle model on concentrations

B2 baseline



Mitigation scenario



Carbon cycle model according to:

- [Dark Blue Box] DICE-2007
- [Purple Box] DICE-2009
- [Maroon Box] FUND
- [Light Blue Box] MERGE 5.1
- [Yellow Box] PAGE-2002
- [Orange Box] PAGE-2009
- [Grey Box] 90% confidence interval PAGE
- [Grey Box] 90% confidence interval MAGICC 6.0

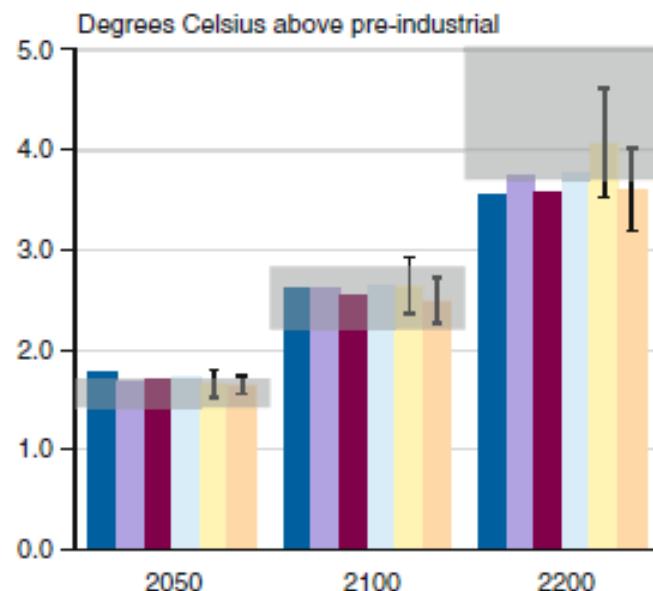
No improvement since Schultz & Kasting (1997)

6 Schultz PA, Kasting JF (1997) Optimal reductions in CO<sub>2</sub> emissions. Energy Policy 25(5):491–500

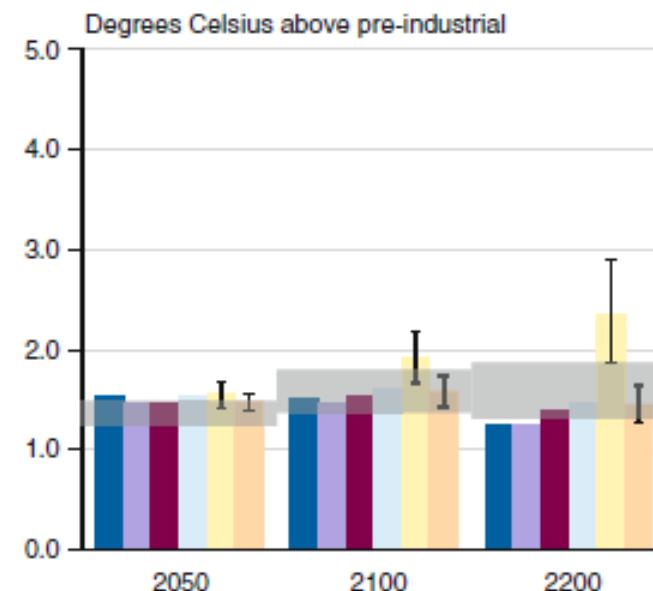


## Sensitivity of carbon cycle model on temperature

B2 baseline



Mitigation scenario

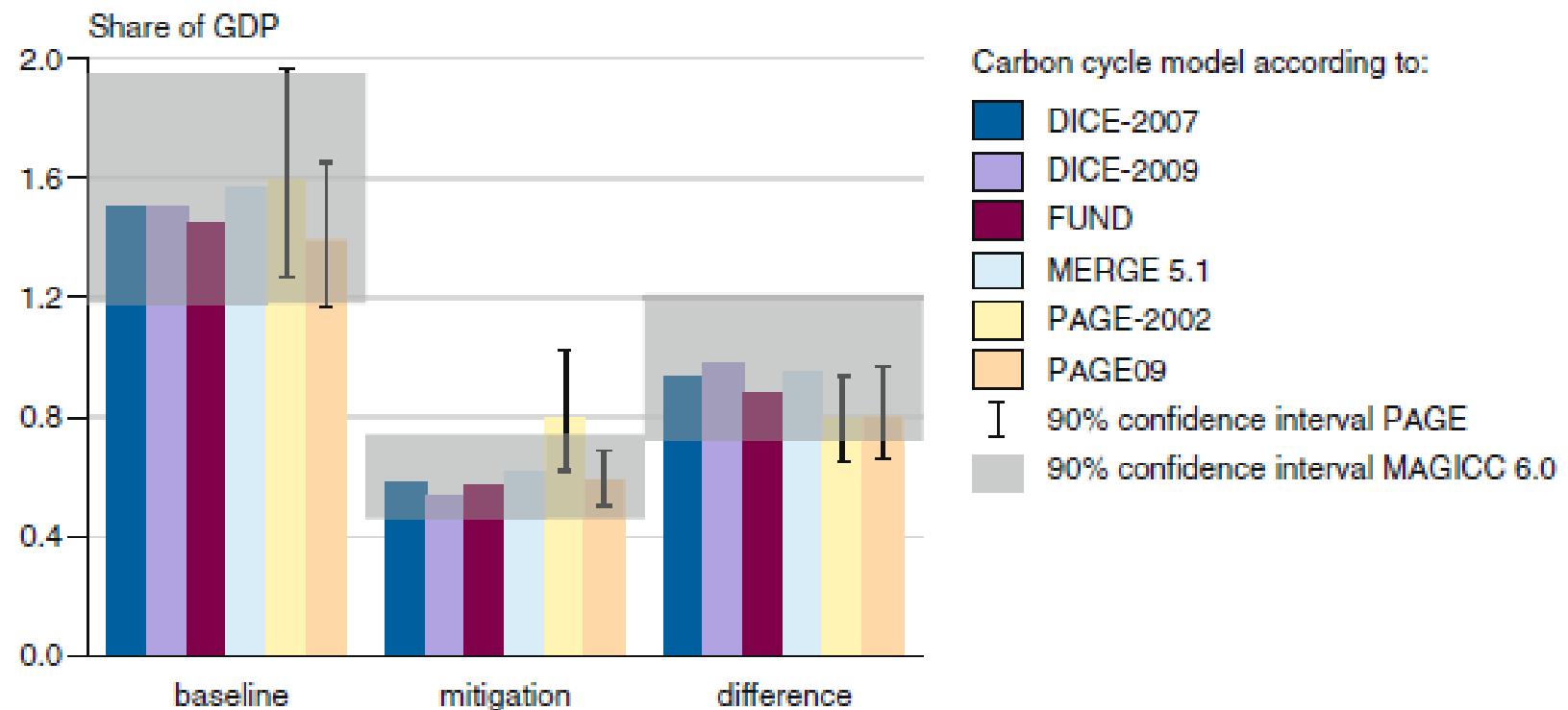


Carbon cycle model according to:

- [Dark Blue Box] DICE-2007 [Yellow Box] PAGE-2002
- [Purple Box] DICE-2009 [Orange Box] PAGE09
- [Maroon Box] FUND [Grey Box] 90% confidence interval MAGICC 6.0
- [Light Blue Box] MERGE 5.1 [Grey Box] 90% confidence interval PAGE



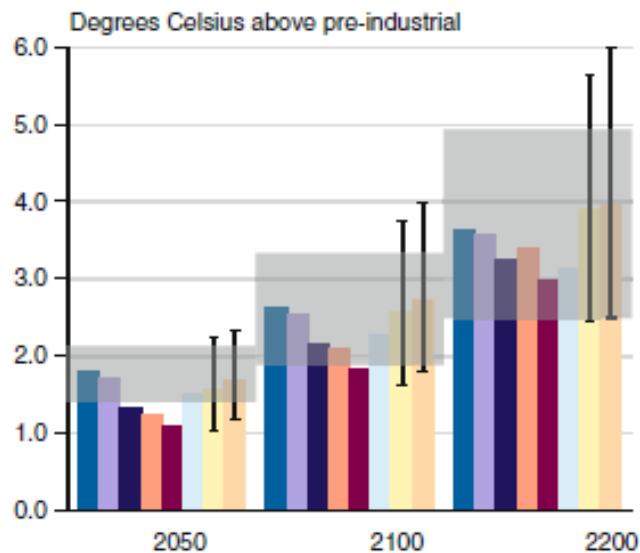
## Sensitivity of carbon cycle model on damage



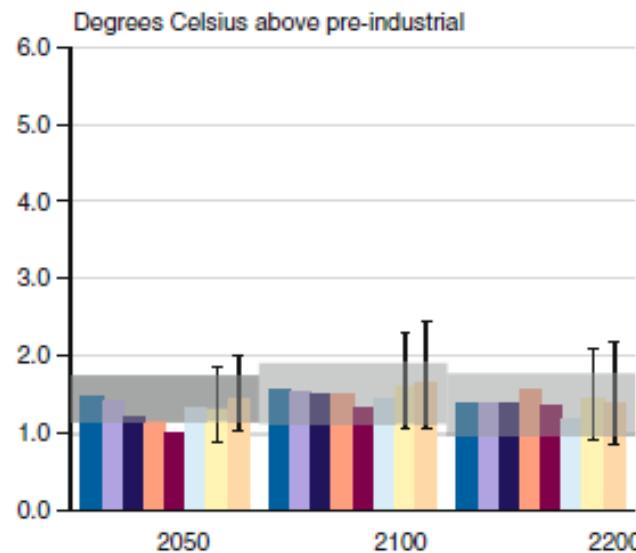


## Sensitivity of climate model on temperature

B2 baseline



Mitigation scenario

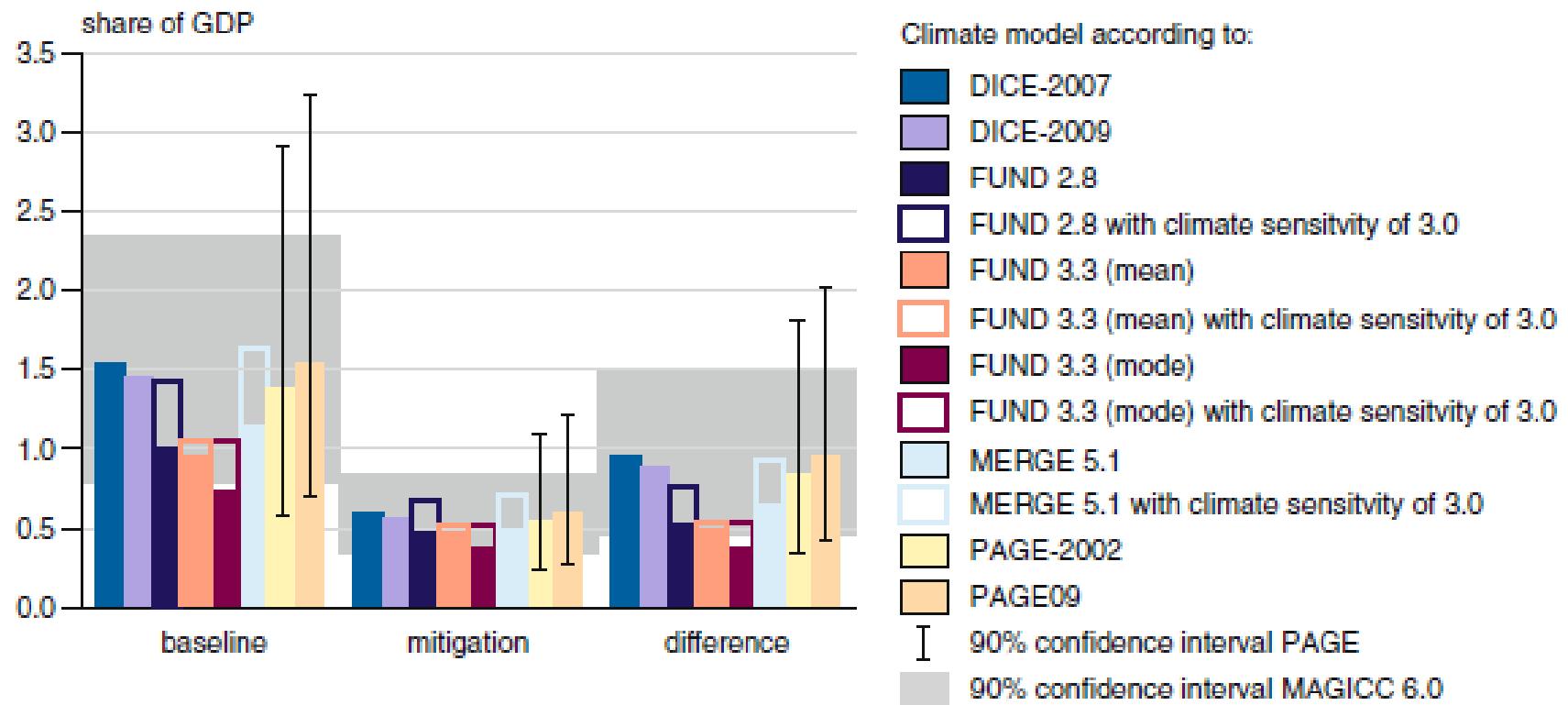


Climate model according to:

- |  |   |
|--|---|
| <span style="color: #006699;">■</span> DICE-2007       | <span style="color: #ADD8E6;">■</span> MERGE 5.1                          |
| <span style="color: #9370DB;">■</span> DICE-2009       | <span style="color: #FFFACD;">■</span> PAGE-2002                          |
| <span style="color: #00008B;">■</span> FUND 2.8        | <span style="color: #FFA07A;">■</span> PAGE09                             |
| <span style="color: #FF8C69;">■</span> FUND 3.3 (mean) | <span style="color: black;">■</span> 90% confidence interval PAGE         |
| <span style="color: #8B0000;">■</span> FUND 3.3 (mode) | <span style="color: #A9A9A9;">■</span> 90% confidence interval MAGICC 6.0 |

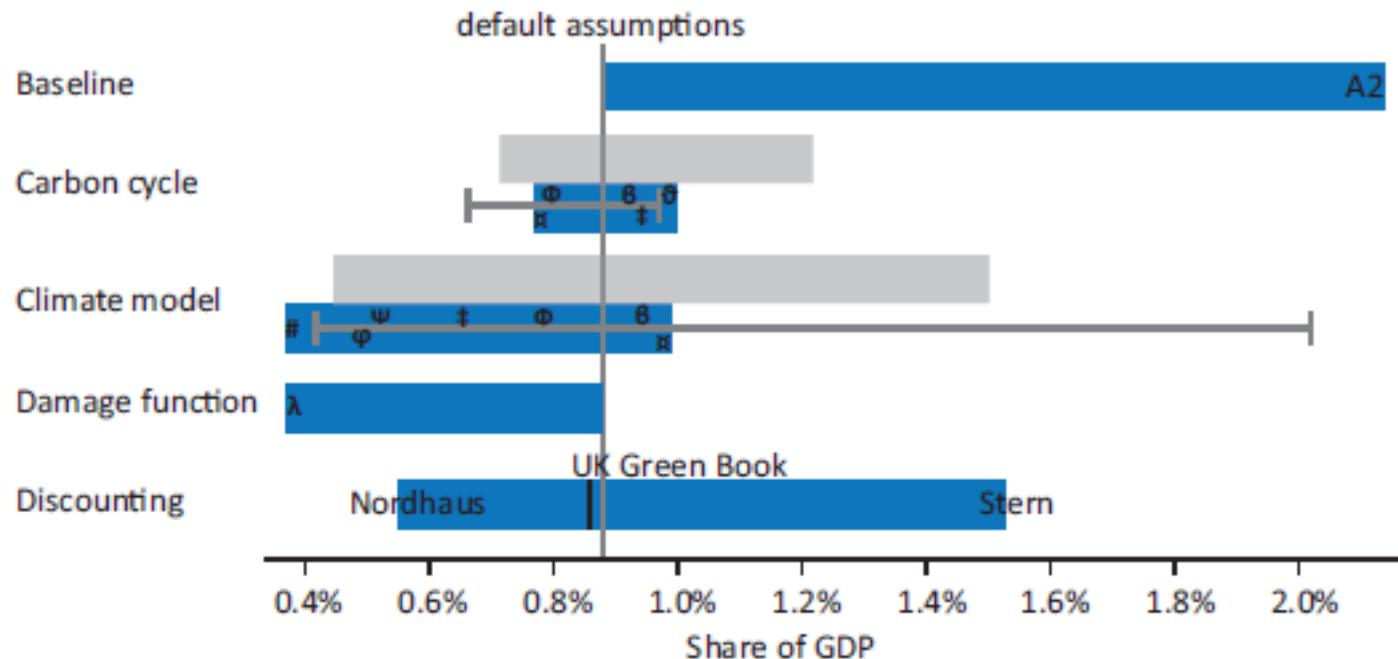


## Sensitivity of climate model on damage





## Importance relative to other key assumptions



Legend:

$\bar{\theta}$  = DICE-2007;  $\theta$  = DICE-2009;  $\ddagger$  = MERGE 5.1;  $\Phi$  = mean PAGE-2002;  
 $\natural$  = mean PAGE-2009;  $\Psi$  = FUND 2.8;  $\varphi$  = mean FUND 3.3;  $\#$  = mode FUND 3.3;  
 $\lambda$  = Alternative damage function;  $\text{---} \text{---}$  = 90% confidence interval PAGE09;  
 $\text{---} \text{---}$  = 90% confidence interval MAGICC 6.0



## Implications for IAM CBA research

- IAMs should capture whole uncertainty range of climate models – since the benefits of mitigation are very sensitive to these models (especially temperature response time)
- Effect of non-CO<sub>2</sub> not analysed, but in most IAMs exogenous