* We obtained or calculated the price of fossil fuels for the time period.
* We estimated the price elasticities of demand, α, for each sector.
* We then estimated the price increase for each fossil fuel that would result from the carbon tax.
  + 1. ∆P = ∂t, where ∆P is the price increase from the tax, ∂, is the CO2E emissions coefficient, and t is the carbon tax rate.
    2. %∆P = ∆P / P, where ∆P is the percent change in price, P is the price of the product, and %∆P is the percentage increase in price from the tax.
  + We found the reduction in emissions from the carbon tax by multiplying %∆P by α, and then multiplying the result by the pre-tax CO2E emissions.
  + The equations for the study are:

 

Equations for the earlier study

