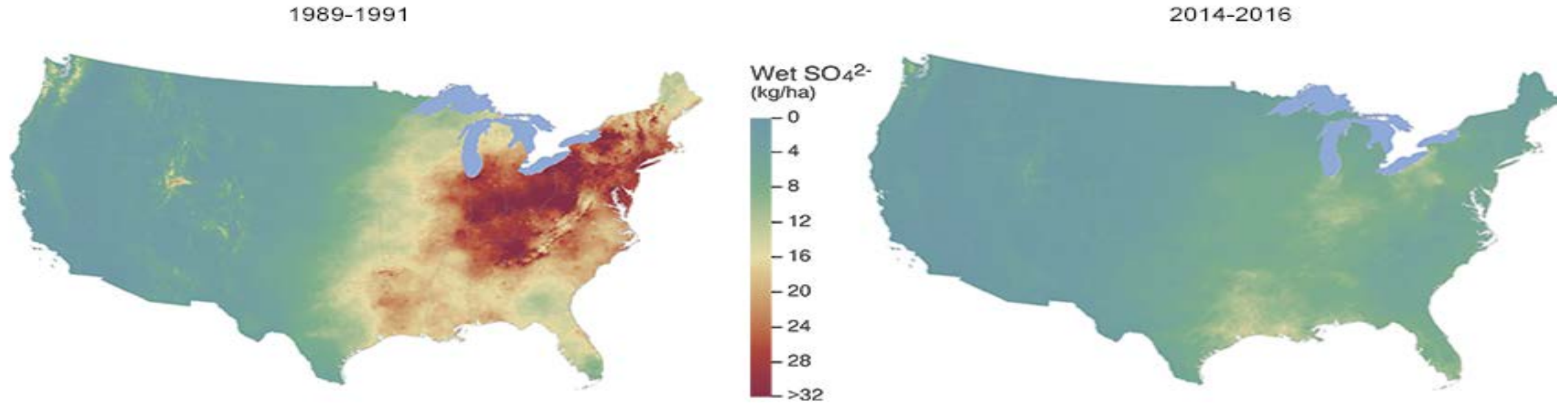


Three-Year Wet Sulfate Deposition



MARKET-BASED SOLUTION FOR U.S. ACID RAIN

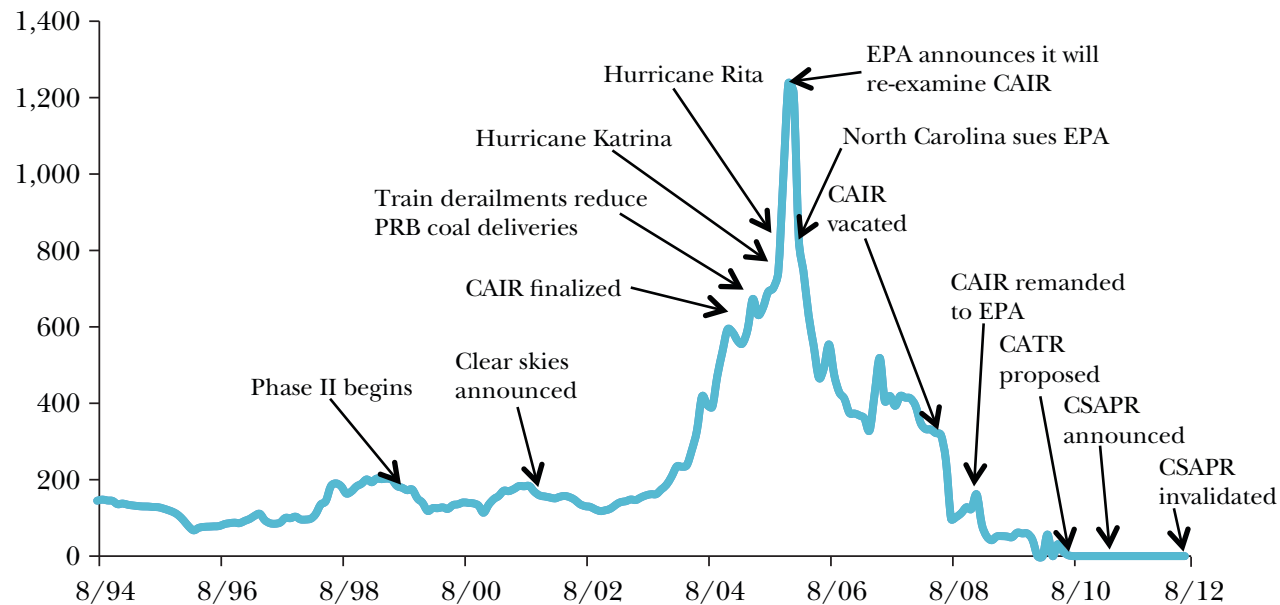
The Death of the SO₂ Market

Schmalensee, R., & Stavins, R. N. (2013). The SO₂ allowance trading system: the ironic history of a grand policy experiment. *Journal of Economic Perspectives*, 27(1), 103-22.

Figure 2

SO₂ Allowance Prices and the Regulatory Environment, 1994–2012

(1995 dollars per ton)



Source: Data on spot prices compiled by Power & Energy Analytic Resources (PEAR) Inc. from Cantor Fitzgerald until September 11, 2001, and from ICAP United thereafter.

Notes: CAIR is “Clean Air Interstate Rule.” CATR is “Clean Air Transport Rule.” CSAPR is “Cross-State Air Pollution Rule.”