

## Outcomes from one year of ASU's price on carbon for air travel

*Mick Dalrymple, September 2019*

In 2018, Arizona State University (ASU) implemented a price on carbon for greenhouse gas (GHG) emissions from air travel. The program applied a flat fee of \$8/round trip flight to all university-sponsored air travel. This document highlights initial outcomes and lessons learned after the first year.

**Funds raised** The air travel price on carbon raised \$169,000 during FY19, the first year of operation.

**Labor costs** The process of applying the price on carbon added 16 hours of additional accounting work per month, and 1 hour of additional financial services work per month.

**Flights included** The air travel price on carbon was applied to 21,163 flights in FY19. This was only 87% of the flights that should have been included in the program (24,320 flights). ASU is investigating why the carbon price was not applied to all relevant flights. Possible reasons include a problem with the travel request/expense report process, flights being purchased outside of the travel request system, and flights being purchased by a third party and then reimbursed.

The 24,320 flight total does not include flights identified and removed from the carbon pricing program because they were sponsored by external organizations. ASU does not account for these flights in the university's Scope 3 GHG emissions as they should be accounted for in the other organizations' Scope 3 inventories.

**Use of funds** ASU used the funds raised to purchase offsets to mitigate all university-sponsored air travel emissions from FY19 (approximately 45,000 MTCDE). The offsets purchased were Community Offset Bundles—verified carbon offsets combined with local tree planting projects that also seek to produce carbon offsets. ASU is also using the funds to plant a forest of 1,000 native trees at ASU's West Campus. ASU expects to complete this project in March 2020, and anticipates that the trees plus matching market offsets will mitigate approximately 6,800 MTCDE over the lifetime of the project.

### Additional lessons learned

- ASU found it helpful when individual departments with a high volume of travel (such as study abroad) assessed the price on carbon themselves, rather than waiting for Financial Services to charge the departments based on travel expense reports. When departments assess the price themselves, it reduces time and inaccuracies.
- Most ASU employees and students are not aware of the university's price on carbon for air travel. The carbon price is implemented through a back-office accounting transaction that is handled outside of the travel system by departmental business office managers and Financial Services. ASU's University Sustainability Practices would like to raise awareness of the carbon price in order to begin to influence decisions to travel. Raising awareness may involve messaging within the travel request system. However, many travelers may have a delegate who interfaces with the travel request system. Therefore, general messaging to the campus community will also likely be necessary.
- For FY20, ASU increased the carbon price from \$8/round trip flight to \$10/round trip flight. This follows initial plans to incrementally increase the carbon price to \$18/round trip flight by 2025.