Step 3. Choose the carbon cost (€/tCO2):

The carbon cost penalizes all fossil fuel based emissions. The more one emits, the more one has to pay proportionally on the amount emitted and the cost of carbon. In the model, as the carbon cost increases, the countries that have a higher share of fossil fuel in their energy mix will notice a quicker development of renewable energy technologies. More about carbon tax can be found <u>here</u>.