Jerry J. Rítter 1865 Yolanda Ave. Spríngfíeld, OR 97477

February 13, 2019

To: The Honorable Michael Dembrow, Co-Chair The Honorable Karin Power, Co-Chair And members, Joint Committee on Carbon Reduction

Re: LC 894

Dear Co-Chairs Dembrow & Power; Vice Co-Chairs Bentz & Brock Smith and Members:

Aside from my belief that this could be a job killer, would likely raise working families' cost of living, and based on my extensive familiarity and experience with federal and state greenhouse gas (GHG) rules and reporting, I see a few issues that I'll suggest merit attention:

- No definition of the term "anthropogenic" GHG or differentiation between "anthropogenic" and "biogenic" GHG: These should be the same as found in 40 CFR Part 98, Subparts C and AA. This has huge implications for Oregon's pulp and paper industry. Biogenic CO2-e should be exempt.
- 2. EITE Provision phase out: I'm glad to see an EITE provision as I didn't see one in the 2017 version. I'll note that Oregon calls it "Emissions" intensive Trade Exposed where all other jurisdictions I've seen call it "Energy" Intensive Trade Exposed which is a more accurate description. The phase out would have a major impact on a facility that has already reduced its CO2-e as much as practical without curtailing production or shutting down. The facility for which I worked for 46 years falls into that category.
- 3. **"Emergency" clause:** It is disingenuous to claim this is not a revenue-raising measure, thereby allowing the attachment of an "emergency" clause to prevent a referendum and bypass of the 3/5 majority requirement for approval. Hopefully you'll recall that Washington voters have defeated 3 carbon tax proposals. One way or another this may end up before Oregon voters as "emergency" clauses won't stop a repeal initiative. The ideal thing to do would be to put it before the voters right off the bat as a resolution rather than an imposition. There is a good chance it would pass and this would establish a greater level of trust and accountability with your constituents.

Thank you for your consideration.

Respectfully,

Jerry J. Ritter (As a private citizen)