

Pacific Ag Testimony, February 11, 2019. Salem

Good evening Co-Chair Dembrow, Co-Chair Power, and members of the Joint Carbon Reduction Committee,

My name is Harrison Pettit. I am one of the owners of Hermiston-based Pacific Ag, and am a member of the Oregon Business for Climate. I am here today in support of HB 2020.

Pacific Ag is the nation's largest crop residue harvest and supply company. We are, in effect, a recycler of excess crop residue. We are headquartered in Hermiston, but operate in 10 states to supply dairy and beef cattle markets both domestically and internationally, as well as feedstock for mushroom production, erosion control, cellulosic biofuel and tree-free pulping markets.

Pacific Ag supports this bill, as do over 200 family farms, vineyards, and ranches<sup>1</sup>, because unabated climate change creates economic risks for these businesses across our state.

The ag community is not regulated by this program. That's important for lawmakers representing the rural districts of our state to remember. And, there will be new investment opportunities through the offset program to sequester carbon in an expanding carbon marketplace. Also, for us in Northeastern Oregon, increased water scarcity is of particular concern with climate change. We need adequate water supplies to maintain the diverse agricultural economy Oregon depends on. Some of the investment opportunities generated from this legislation include expansion of water saving technologies, and irrigation efficiency so that we can use less water to grow things.

The legislative working group has done a good job including substantive input from rural communities in developing this program. That is reflected in the legislative language before you. Being based in Hermiston, this is important to our company. And, while we leverage lessons learned by regions who have come before us, this bill responds to Oregon's needs specifically.

Importantly, HB 2020 aligns with Oregon Business for Climate's key principles. Many of the issues we articulated leading up to session are reflected in the bill -- most notably the establishment of an interim target and the inclusion of transportation fuels from day one. We are pleased to see that the bill provides language referencing linkage to other jurisdictions and an 8 % allocation of offsets. And while we were happy to see language more streamlined around program investments, including support for those most impacted by climate change, we urge you to also double down on to investments in innovation and advancing Oregon industries so that we can continue to lead, even as we operate in a more carbon-constrained future.

We want to work with you to pass the strongest bill possible -- one that ensures program

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<sup>1</sup> See attached letter.

provisions are not further diluted from what is currently in the bill framework, which we believe would impact the fundamental integrity of the program. Hold the line. Oregon is currently not on track to meet its carbon reduction goals, and strong interim targets and a strong economy-wide cap will ensure we right our course and put Oregon on the path to a low-carbon future.

There is no reason to wait any longer to pass this legislation. The longer you wait, the more our families, farmers, business owners, fisherman and firefighters bear the burden of increased weather volatility. This is Oregon. Let's honor the great legacy our state enjoys. I urge you to pass HB 2020 now.

Thank you.