Joint Committee on Carbon Reduction Oregon State Capitol 900 Court St. NE Salem Oregon 97301

February 19, 2019

Re: Comments On House Bill 2020, The Oregon Climate Action Program

Dear Chairs Dembrow and Power, Vice-Chairs Bentz and Brock Smith, and committee members

Thank you for the opportunity to comment. I am supportive of the intent of House Bill 2020. The invited testimony to JCCR in 2018, on the whole, has convinced me that the cap and trade model of pricing carbon can be effective when properly managed. I would add that the presentations and related exhibits from Dallas Butraw of Resources For The Future and Robert Stavins of Harvard were most convincing. I follow with specific suggestions.

- I ask that you be frugal with the issuance of free allowances, demanding a rapid return to no free allowances. All funds realized by utilities from the sale of free allowances must be used to support low income customers.
- EITE status should be carefully scrutinized and bestowed only when there is a justifiable need. These entities must be willing to expeditiously change practices so to be removed from EITE status.
- The compliance offsets protocol advisory committee should not be dominated by industry representatives, wittingly or unwittingly. Committee oversight should see to this.
- All entities emitting greenhouse gases should ultimately be subject to the cap. Provisions are needed to make this happen expeditiously. These entities would include aircraft and marine fuels, incinerators, farm operations, forestry operations, and those emitting harmful refrigerants such as hydrofluorocarbons.
- For the extensive livestock on lands and farm enclosures, and the feed they consume, accepted models should be developed for the life cycle emissions from feed, fuel, excrement including the pernicious nitrous oxide, all husbandry practices, transportation, packaging, and discards. Animal agriculture should be an isolated subsector. A recent article *in Inside Climate News titled Infographic: Why Farmers Are Ideally Positioned To Fight Climate Change* could be foundational to investigators and legislators. See https://insideclimatenews.org/news/24092018/infographic-farm-soil-carbon-cycle-climate-change-solution-agriculture

Legislative hearings should be pursued during the 2019-2020 interim to address the contributions of greenhouse gases from Oregon agricultural practices.

- Ongoing studies by the School of Forestry at OSU have reveal that significant emissions by logging practices may have been overlooked. For the latest research see Land use strategies to mitigate climate change in carbon dense temperate forests by Beverly E. Law et al.
  www.pnas.org/cgi/doi/10.1073/pnas.1720064115 Legislative hearings should be pursued during the 2019-2020 interim to address emissions from forest practices, again life cycle analyses.
- The bill needs to enumerate specific allocations of the Climate Investment Fund to impacted communities and the Just Transition Fund. And may these be generous.
- The bill establishes a Carbon Policy Office. There is speculation that a new agency will absorb parts of Oregon DEQ and DOE. Others will be folded into this new, top level department called Climate Authority. Please give consideration to keeping the Oregon Global Warming Commission and the Oregon Climate Change Research Institute separate. Consider establishing a policy arm similar to the Environmental Quality Commission; the policy arm could be Climate Mitigation and Adaptation Commission. Though mitigation is the aim of HB 2020, the fall back of adaptation will be needed to abate future harm to some degree.

Respectfully,

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