



OFFICE OF THE MAYOR

387 NE Third Street - Prineville, OR 97754

EMAIL: suffleman@cityofprineville.com

541.447.5627 ext. 1116 ph 541-447-5628 fax

February 26, 2019

Joint Committee on Carbon Reduction

Co-Chairs Senator Michael Dembrow and Representative Karin Power

Co-Vice Charis Senator Cliff Bentz and Representative David Brock Smith

Committee Members

RE: Cap and Trade Legislation – HB2020

The City of Prineville City Council is concerned over the impact of proposed legislation for Cap and Trade. Our community has firsthand knowledge of how competitive recruiting and retaining manufacturing businesses can be. We also have lived through the effects of governmental policy changes that resulted in the loss of the timber industry affecting livelihoods, funding of our schools and roads. We fear that the effects of the proposed Cap and Trade legislation could be just as devastating if not worse to Prineville/Crook County and all of rural Oregon, as the loss of the timber industry was.

HB 2020 will affect the majority of Oregon's Industrial base with the cost of meeting emission benchmarks. This bill will result in driving up costs that will lead to companies losing viability, reducing labor force, or simply relocating to another state or going out of business. Business interests like Tech/Data centers who will be subject to CAP due to back up generation for operations, will simply scratch Oregon off their site list for further investment and would invest their capital elsewhere.

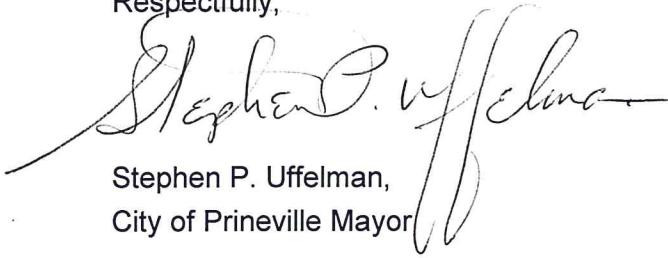
The average middle class worker will be faced with higher utility costs for their homes, and higher fuel prices for their transportation needs. Rural Oregon does not have public transportation access, and just going to the doctor, work, school, and grocery store typically involves driving your vehicle for 10, 20, 30 miles or more. Northwest Natural Gas estimates during the first year under the CAP, prices for homeowners would go up 11% for natural gas customers, and by year 2040 the increase from CAP requirements would increase price by 53%. Increases like this would significantly exceed the Consumer Price Index.

We believe our community members value the environment, and our community has taken remarkable steps to manage many of our resources responsibly. Our wetland

wastewater process, and Crooked River legislation are great testimonials to investing responsibly to benefit the environment. We believe our citizens will invest in the environment when it is practical and provides value.

We do not see the value in what will be a "Tax increase" for our citizens to bear with no meaningful reduction in carbon emissions in the enactment of HB 2020 (Climate Action Program or Clean Energy Jobs).

Respectfully,

A handwritten signature in black ink that reads "Stephen P. Uffelman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Stephen P. Uffelman,
City of Prineville Mayor