

May 10, 2019

To: Joint Legislative Committee on Carbon Reduction

## Re: HB 2020-84 - SUPPORT

Dear Co-Chair Power and Co-Chair Dembrow,

On behalf of our almost 55,000 members and activists in Oregon who are concerned about climate change, EDF strongly supports the adoption of HB 2020-84 and asks for your affirmative vote. This bill is the result of a comprehensive and collaborative process over the last several years and is ready for adoption.

HB 2020-84 would establish a cap-and-invest program featuring a firm and declining limit on greenhouse gas emissions and a strong interim emissions reduction target. This is essential to realizing the reductions that science demands and lower emissions early in the cap-and-invest program mean fewer cumulative emissions over time, which is critical for the atmosphere. The recent report of the Intergovernmental Panel on Climate Change underscores that we have a narrow window in which to take major steps to reduce greenhouse gas emissions if we have any chance of staying below 1.5°C. The 2035 target in HB 2020-84 helps ensure Oregon is on track to help deliver the required reductions.

HB 2020-84 also includes broad program coverage of all major emission sources, which is essential for meeting climate targets. The ambition and scope of the cap-and-invest program created by this bill are commendable and critical to curbing global climate pollution.

The latest amendment to HB 2020 removes the exemption for exported power from the program, which we believe is an important step to uphold the environmental integrity of the cap-and-invest program. Even though the original exemption was quite narrow, facilities that are located in Oregon and producing emissions in Oregon should not be excluded from an Oregon emission reduction program. EDF is pleased to see that exemption removed.

EDF also supports the -84 amendment providing 60% direct allocation to and consignment of allowances by natural gas facilities on behalf of low-income gas customers. This is a balanced approach to protecting vulnerable ratepayers while ensuring all emitters participate in the capand-invest program. EDF is pleased to offer our support for HB 2020-84, and applauds Oregon for its climate leadership.

Sincerely,

Kat for Roedner Sutter

Katelyn Roedner Sutter Senior Analyst, Climate Policy