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June 5, 2019

Senator Kathleen Taylor Representative Jeff Reardon Co-Chairs, Natural Resources Subcommittee Joint Committee on Ways & Means 900 Court Street NE Salem, Oregon 97301

Dear Co-Chairs Taylor and Reardon and Members of the Joint Subcommittee,

NW Natural supports changes made to the natural gas section of the cap and trade proposal, reflected in HB 2020A. As the state's largest gas utility, we believe we can and will play an important role to help our region move to a low carbon, renewable energy future.

We came to the table to make HB2020 more affordable and effective. We appreciate the progress that has been made on this bill to help the state reach its climate goals and the improvements that directly address the concerns of natural gas customers. The revised proposal will allow cap and trade dollars collected from our customers to be returned to our customers to mitigate their rate impacts, and be used to fund actions and innovations to lower their emissions.

We expect to see investments in ways to reduce compliance costs over time and to continue to help our customers use natural gas as efficiently as possible. HB 2020A supports the need for these funds to go to low-income and near-low-income customers, who will be most impacted by increases in energy costs. We also expect investments in emerging energy technologies, such as renewable natural gas or renewable hydrogen, energy efficiency, and displacement of higher carbon intensity transportation fuels.

NW Natural supports HB 2020A.

Thank you,

Kathy M. Willi

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