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House Committee on Climate, Energy, and Environment

Testimony in favor of HB 3196

Submitted by Laura Tabor, Climate Action Director

Chair Marsh, Vice Chairs Levy and Levy, and Members of the Committee:

Thank you for the opportunity to submit testimony in support of HB 3196 with -1 amendment, a bill to support the implementation of Oregon's Climate Protection Program (CPP).

The Nature Conservancy in Oregon (TNC) is a science-based, non-partisan organization that works in communities around the state, manages lands and waters in varied ecosystems, and partners with tribes, ranchers, farmers, fishers, timber, and environmental interests on some of the most challenging conservation issues facing people and nature. Addressing the climate change crisis is a core component of TNC's work to create a world where people and nature can thrive and TNC recognizes the importance of the CPP's role in meeting Oregon's emissions reduction goals and providing critical clean energy investments into our environmental justice communities.

A key component of the CPP is the Community Climate Investments (CCI), a compliance option for regulated entities that invests in clean energy community projects. CCI entities, which will be DEQ-approved, third party 501(C)3 nonprofits, will implement projects which must on average reduce one ton of emissions per credit and will prioritize community projects that provide public health, economic, and environmental benefits for environmental justice communities within Oregon. The CCI Program is a win-win for both regulated entities – who get flexibility in achieving their required emissions reductions, and Oregon environmental justice communities, which will receive meaningful investments in cleaner and healthier infrastructure. If adequately implemented and enforced, the CCI program will support job creation, economic vitality, and cleaner energy options in environmental justice communities, while keeping Oregon on track to achieve its climate goals.

Over time, regulated entities will be able to meet between 10 to 20% of their emissions reduction requirements with CCI credits. It is critical that DEQ has the resources to ensure that CCIs deliver the intended emissions benefits and bring value to the communities identified in the program goals. HB 3196 does this by authorizing the Environmental Quality Commission (EQC) to establish a fee paid by CCI entities to fund DEQ's oversight of the CCI, including financial review and auditing, GHG emissions calculations, measuring co-benefits, and performance reports.

We strongly urge your support of HB 3196 and moving this bill forward.