



NATURAL RESOURCES DEFENSE COUNCIL

April 6, 2023

Co-Chair McClain, Co-Chair Gorsek, Members of the Committee:

I am pleased to urgently support adoption of HB 2613, replenishing the state's incentive fund for purchases of Zero-Emission Vehicles.

My name is Angus Duncan, and these incentive programs have been critical elements in the state's commitment to meeting its legislatively adopted greenhouse gas emissions reduction goals; elements I urged forward as Chair of Oregon's Global Warming Commission from 2008 to 2021.

I now represent the Natural Resources Defense Council in the Pacific Northwest states, working with governments and private entities on measures to reduce – especially – utility and vehicle emissions.

In support of this bill I want to leave you with just three data points.

The first you are painfully aware of: transportation emissions have accounted for between 35% and 40% of Oregon's total emissions since we started counting in 1990. Total transportation emissions 30 years ago were 21 mm Tm; in 2021 they were 22 mm Tm.

At the same time we have electricity on a ramp to reduce emissions 80% below 1990 levels by 2030, and 100% by 2040.

Why progress in one sector and not the other? It's not a complicated answer. For electricity we have had, for many years, combined incentives and regulatory tools which in turn have prodded low-emissions technologies like wind, solar and battery storage efficiencies to rise and costs to plummet.

But we continue to drive mostly gasoline and diesel cars and trucks. Why? Because we have not had the same levels of incentives and other tools that would propel low carbon technologies forward to customer affordability and acceptance.

The second data point was communicated just last month by global scientists assessing probabilities of the planet avoiding the worst effects of climate change. The 2023 IPCC reports those probabilities as . . . dim.

- If every signer of the Paris Accords were to deliver on its emissions reduction pledge, we'll still break the 1.5°C threshold.
- And every signer is **NOT** delivering on its pledges. Even the US, with adoption of its historic IRA last year – and assuming its resources are deployed in a timely and effective way -- will still fall 20% short of its 2030 pledge.

The disruptive climate effects we are already experiencing – in Oregon and around the globe – will worsen in any event, but without those timely GHG reductions we will go from preparing for bad effects to anticipating far worse ones.

The third data point is more encouraging. Globally, one in every seven cars purchased last year was electric. In the US, EV market share last year almost doubled the 2021 threshold, in what otherwise was a down year for car sales. While lithium battery prices bumped up last year, they have still dropped 90% since only 2010. As new battery materials and techniques emerge, these components too will resume their downward trends. On Monday of just this week the battery giant LG announced a new “wireless” battery design that shaves almost 200 pounds off their 800-volt long-range model and extends its range commensurately.

Why is this kind of progress possible? Because battery makers and vehicle companies are finally seeing an emerging market that will be continuously fueled by incentives and policies, from governments and utilities, that are driving innovation.

Oregon is a leader in advancing the EV curve. HB 2613 is an essential, critical factor in bringing the advantages of EV's early-on to our state.