

Chair Grayber and members of the committee:

We appreciate the opportunity to comment on HB 4083. I am Phil Carver, Co-Coordinator of 350 Salem OR, the Salem chapter of the global climate organization 350.org. We work at the local, state and federal level to advocate for policies that will urgently and effectively address the climate emergency.

350 Salem OR strongly supports HB 4083 - the COAL Act.

The COAL Act sets the goal of moving our state's investments out of dirty coal and keeping our pensions and state finances safer. PERS and the Oregon Short Term Fund have between \$700M and \$1B invested in coal over the past 3 years in publicly traded funds. In addition to these public investments, the Treasury has more coal investments in private funds that are kept secret from the public. Private investments make up more than half of the PERS fund.

The COAL Act will encourage the Treasury to phase out investments in coal, halt new investments in coal, and report on the phase out of coal. The reporting requirement is the most important part of the bill and is the only requirement.

As a professional economist who worked for the Oregon Dept. of Energy and Public Utility Commission for 37 years, I can state unequivocally that coal is a dying industry, much like buggy-whip manufacturing more than a century ago.

According to a study released by Germany's Mercator Research Institute on Global Commons and Climate Change (as reported by *Electrek*) the cost of solar power has dropped 87% and battery storage by 85% in the past decade.

Although these two were the primary areas of inquiry, the think tank further notes that wind power, heat pumps, and other clean energy technologies are also seeing dramatic price drops.

In contrast no new coal plants are planned in the U.S. Instead,

The U.S. Energy Information Agency ([Annual Energy Outlook 2023](#)) projects that U.S. coal-fired generating capacity will drop below half of 2022 levels by 2050. In the Reference case, coal-fired capacity falls 64% to 73 GW by 2050. In another scenario where we assume lower zero-carbon technology costs than in the Reference case, we project coal-fired capacity falls 88% to 23 GW by midcentury.

"In the Low Zero-Carbon Technology Cost (Low ZTC) case, we assume the cost of zero-carbon technologies declines by about 40% by 2050 compared with the Reference case."

*“The 52% to 88% drop in total coal-fired capacity includes about 99 GW to 159 GW of retiring coal-fired capacity and a small amount of coal-fired capacity projected to be converted to natural gas-fired capacity. **Of the retirements, 61 GW come from coal-fired plants that owners and operators have already announced plans to retire.** (emphasis added). Various factors such as an aging coal fleet, environmental regulations, and competition from natural gas-fired, solar, and wind plants have contributed to the declining economics of coal-fired capacity.*

Virtually all coal use in the U.S. is to generate electricity. Yet the Treasurer has roughly a billion dollars or more invested in coal companies!

How can we in Oregon, with our commitment to a green future, continue to invest in the dirtiest of fossil fuels? Let us continue our leadership in environmental progress and pass the COAL Act to preserve our treasured landscape for generations to come.

Even without consideration of future generations, the Treasury should divest of coal investment to protect Oregon’s investments from financial losses. Legislative guidance is needed.

Sincerely,
Phil Carver, Co-Coordinator
350 Salem OR