

Submitter: John Perona

On Behalf Of:

Committee: Senate Committee On Energy and Environment

Measure, Appointment or Topic: SB1187

Thank you for the opportunity to submit testimony for SB1187. I write in SUPPORT of the bill.

I am Professor (emeritus) of Chemistry at Portland State University and author of the climate change science/policy text for laypersons titled From Knowledge to Power, which has been widely circulated in Oregon.

I support this Polluter Pays legislation because it is certain that the impacts of climate change on Oregon will continue to worsen, and will be extremely costly. Fossil fuel businesses earned profits by selling their products in Oregon, at and after the 1995 date when the Intergovernmental Panel on Climate Change definitively concluded - with agreement from nearly every country, including the US - that human activities were warming the planet. Therefore, they should have known then that burning coal, gas and oil would result in increasing costs from a warming world - as manifested in wildfires, coastal erosion, floods and many other impacts.

This is a basic fairness issue, but it is also an economic issue that should resonate with all Oregonians regardless of political party. If fossil fuel businesses do not pay a fair part of the costs, then Oregon citizens will have to pay it in the form of increased state taxes so that our agencies can direct the work of climate resilience. And the depleted state budgets will make it increasingly difficult for Oregon to fund programs that attract new businesses to the state - including in climate and renewable energy technology areas. Already this year, a bill that would have allocated \$20-30 million for this purpose could not gain traction. We need a thriving, entrepreneurial business culture in Oregon, and government can play a role in fostering that by helping new companies bear the risks of starting up.

I would also like to comment on a technical matter in the bill. Section 11 apportions liability to fossil fuel businesses in proportion to the the amounts of their products that they recovered worldwide in their mining operations, but it does so on the basis of computing the impact from all greenhouse gases their products are ultimately responsible for. However, it is more difficult to compute the amounts of methane and nitrous oxide resulting from fossil fuel production and burning, as compared to the amount of carbon dioxide generated. CO2 generation is straightforwardly computed based on the amounts of coal, oil and gas produced. For this reason, the bill should be amended to compute relative liabilities based on carbon dioxide alone. This will not affect the total money damages claimed, because those are separately determined by the DLCDD-led agency team. Rather, this computation of relative

liabilities only serves to apportion the total damages. Failure to do this would allow a line of attack against the bill, based on ambiguity in this calculation.

Admittedly, this bill is a long shot because fossil fuel businesses and their allies, who have willfully lied and misrepresented the facts of climate change for decades, will use absolutely every conceivable tool in their arsenals to defeat this bill and similar bills in other states. That doesn't mean we shouldn't try. The stakes are very high. And the \$300,000 fiscal on the bill, which will allow our agencies to do the preliminary work needed to formulate a climate resilience plan and compute climate damages, is a drop in the bucket compared to both the overall state budget and the potential damages recoverable, which will likely be on the order of \$10 billion.

Thank you for the opportunity to testify in SUPPORT of SB 1187.