



January 25, 2012

The Honorable Jackie Dingfelder, Chair  
Senate Committee on Environment and Natural Resources  
The Honorable Jules Bailey  
The Honorable Vic Gilliam  
Co-chairs, House Committee on Energy, Environmental and Water  
Oregon State Legislature  
State Capitol  
900 Court Street NE  
Salem, Oregon 97301

Honorable Members:

The Bonneville Environmental Foundation (BEF) supported the principles of HB 3109 in the 2011 Legislative Session, and we support the reintroduced language (LC draft for SB 1511) in the 2012 Session.

We believe strongly in the value of creating and nurturing an ecosystem services marketplace. Our Foundation's non-profit business has helped to build and shape this marketplace since our inception in 1998. We pioneered the national Renewable Energy Certificates (RECS) market with the first sale, in 2000, of a Green Tag product to EPA Region X. Since then we have worked with hundreds of private companies, NGO's and individuals across the country to reduce their carbon footprint. Our program has reduced 1.5 mm tons of CO2 that would otherwise have entered the atmosphere, and helped to generate over 2.4mm megawatt hours of clean energy, all within the private marketplace and all incremental to government programs. Our client list has included major corporations such as General Motors and NIKE, Major League sports teams such as the Boston Red Sox and Tampa Bay Rays, as well as individuals and companies across the country.

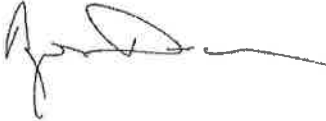
In 2010 BEF expanded its business to include Water Restoration Certificates, offering participants the opportunity to reduce their water footprint. The revenues generated from this program are used to restore healthy water flows to critically dewatered streams in Oregon and elsewhere. BEF's energy and water programs operate ahead of regulation to connect public demand for clean air and water with the voluntary marketplace of businesses and individuals practicing sustainability and resource stewardship.

BEF encourages the State to focus its efforts on activities that generate the demand of high quality watershed-based stewardship projects. We suggest the State leverage the expertise of the emerging voluntary environmental services marketplace, relying on businesses and individuals with proven, on-the-ground experience in managing the verification and transaction

requirements of that marketplace. Adoption of the successor to SB 3109 will enable the State to effectively add value to this business model.

We especially encourage State efforts to build market demand in a manner that reinforces and complements existing agency and voluntary efforts to promote the best science-based watershed recovery initiatives such as those we are advancing, in partnership with the Meyer Memorial Trust, in the Willamette Basin.

Sincerely,

A handwritten signature in black ink, appearing to read "Angus Duncan", with a long horizontal flourish extending to the right.

Angus Duncan, President  
Bonneville Environmental Foundation