

222 NW Davis Street Suite 309 Portland, OR 97209-3900 503.222.1963 www.oeconline.org

Testimony to the House Energy and Environment Committee on House Bill 4036 February 2, 2016

Jana Gastellum, Climate Program Director Oregon Environmental Council

Founded in 1968, the Oregon Environmental Council (OEC) is a nonprofit, nonpartisan, membership-based organization. We advance innovative, collaborative solutions to Oregon's environmental challenges for today and future generations.

Oregon Environmental Council strongly urges support for HB 4036, the Clean Electricity and Coal Transition bill. It is time for Oregon to show leadership and set a path for decarbonizing our electric sector. Climate impacts are already affecting citizens, industries, and special places in Oregon, and this is an effective, affordable, and reasonable path forward.

Coal is risky

Oregon should be proud that we have a plan to phase out our single in-state coal-fired power plant. Continuing to rely on out-of-state coal plants, however, exposes Oregon ratepayers to increasing costs associated with the dirtiest of fossil fuels. Oregonians should divest from coal now to avoid future costs.

Plan is a win for the environment

This package doubles Oregon's commitment to renewable energy. Renewables emit no climate pollution and do not require water—an increasingly scarce resource in the west. The Global Wind Energy Council estimates that wind power saves 528 gallons of water per MWh of electricity produced.

This plan phases out the use of coal and ramps up renewable energy. As renewables increase, they will prevent a default to other fossil fuel resources as coal power is replaced. According to analysis by the Oregon Global Warming Commission and utilities, HB 4036 will:

- Cut Oregon's electricity carbon footprint in half by 2030.
- Reduce CO₂ emissions by 30 million metric tonnes (MMT) cumulatively between 2025 2040, equal to taking 6.3 million cars of the road for a year.

This will put the electric sector on track to meeting their fair share of the state's legislatively adopted climate goals.

Double bang for the carbon buck

Similarly, the electric vehicle (EV) charging provisions provide additional environmental, health and community benefits. The transportation sector makes up the largest share of greenhouse gas emissions. This plan will enable utilities to invest in prudent home charging equipment. Data on EV charging shows that people are most likely to recharge their vehicles at home, but the the lack of residential charging equipment is a barrier to expanded EV adoption.

Utilities have a good relationship with their customers and can make cost-effective EV charging equipment rapidly available. With Oregon's existing electricity mix, EVs on average emit about 1/3 the climate pollution as gasoline powered cars. (For utilities largely dependent on Bonneville power, that number is closer to zero.) Under this plan, the power mix will get cleaner, making EV's contribution to reducing climate pollution even greater.

EVs also reduce other harmful tailpipe pollution. Vehicle exhaust is one of the largest public health threats in Oregon, impacting disadvantaged communities who live closest to high traffic corridors the most. Vehicle exhaust contains tiny unburned particles as well as carcinogens and other toxics that can be absorbed into our bodies. Vehicle pollution is linked to developmental delays in infants and young children, triggers asthma, and contributes to cardiovascular diseases.

Solar choice

HB 4036 also creates a new Community Solar program. The Community Solar program allows individuals whose homes or apartments do not allow for solar installation to subscribe to a community-sized array and earn a bill credit through their utility. This expands the benefits of solar energy to more Oregonians, including a 15% carve out for low-income households. More Oregonians deserve access to clean, renewable forms of energy. Creating a new community solar program will spur the build out of additional projects, which also promotes more economic development in Oregon.

Good for ratepayers

According to Flink Energy Consulting, transitioning off coal and doubling our commitment to renewable energy will cost no more than .9% and could save consumers up to 2.2% relative to the current business-as-usual approach. Carbon costs in the future will increase and fossil fuel prices are volatile. Renewable energy costs are coming down dramatically and harnessing the wind and sun is free after a project is built.

Climate action is good for the economy

Climate pollution is a drag on our economy. It is wasteful and harms Oregon businesses and households. Oregon's natural resource heritage is particularly at risk and Oregon industries, like shellfish and snow-based tourism, is already being damaged by climate impacts. HB 4036 is important for preserving Oregon's economy and way of life.

The Oregon Environmental Council, on behalf of our members throughout Oregon, urges strong support for HB 4036.