



February 2, 2016

Representative Jessica Vega Pederson, Chair
Members of the House Energy and Environment Committee
Oregon State Capitol
Salem, OR 97301

Re: House Bill 4036 - Support

Chair Vega Pederson and Members of the Committee,

I write on behalf of Climate Solutions to express **strong and enthusiastic support for House Bill 4036**. Climate Solutions is a regional non-profit working to accelerate practical and profitable solutions to global warming. Transitioning from coal and fossil fuels to clean, renewable energy is a top priority for Climate Solutions. We are proud that Oregon is stepping out as a national leader in the transition to a clean energy economy.

Climate Solutions is a founding member of Renew Oregon, a large and diverse coalition of more than 160 businesses, non-profits, faith, and community organizations. Last fall, Renew Oregon filed ballot initiatives to move Oregon off coal toward clean energy, in response to very strong public demand to rid our energy supply of coal, grow the clean energy economy, and address the urgency of the climate crisis. Shortly thereafter, PGE and PacifiCorp reached out in the hope of finding common ground and avoiding a ballot fight. At that point, these utilities and the organizations behind the ballot initiative, including Climate Solutions, began robust discussions around an alternative policy package.

Moving from coal to clean energy is essential to achieving Oregon's legislated greenhouse gas reduction goals and safeguarding the health and well-being of all Oregonians. It is also a goal that our two largest utilities, together representing 70% of Oregon's electricity market, could support. Working together, we were able to develop a pathway for a coal to clean energy transition that includes a date certain for coal removal, a doubling of renewable energy generation through the renewable portfolio standard, incentives for electric vehicle infrastructure, access to residential solar for low-income communities, and affirmation of the importance of energy efficiency and demand response programs.

Climate Solutions supports House Bill 4036 as the next generation of climate-smart energy policy for Oregon. It accelerates the path to clean energy, while protecting ratepayers and creating new economic opportunities for our state. It represents the best of what Oregonians can achieve when we work collaboratively around shared goals.

The coal that currently powers more than one-third of Oregon homes and businesses accounts for 25% of Oregon's greenhouse gas emissions. Simply put, we cannot achieve our state's greenhouse gas goals unless we replace that coal power with clean, renewable energy. House Bill 4036 removes the coal and leaves very little room for new natural gas as our utilities increase investments in wind, solar, efficiency, and other clean energy resources to meet a 50% renewable portfolio standard. It allows for an orderly ramp up in renewable energy generation in response to rapidly declining costs for solar and wind, and rising costs for coal.

House Bill 4036 positions Oregon at the forefront of the clean energy transition nationwide. Coupled with our existing hydropower capacity, a 50% renewable portfolio standard will make Oregon one of the cleanest energy states in the nation by 2040. House Bill 4036 will also put Oregon's two largest utilities firmly on the path to meeting their share of Oregon's greenhouse gas reduction goals, while reducing risks to ratepayers.

In addition, House Bill 4036 encourages utilities to invest in the infrastructure Oregon needs to electrify our transportation sector. And, it makes residential solar more available to all customers in PGE and Pacific Power service territories, including low income families, through the creation of community solar programs. House Bill 4036 is a comprehensive energy package that can deliver clean, reliable, affordable power to Oregon homes, businesses, and vehicles.

It is not often that such a diverse group of stakeholders can agree to a path forward. House Bill 4036, and the unique circumstances which created it, speaks to the breadth and strength of support for clean energy and climate protection in Oregon, and the dedication and cooperation shown by energy industry leaders, utilities, community organizations, and advocates to solving a shared challenge.

The transition from coal to clean energy is critical piece of the climate policy puzzle. Successful resolution of this issue in the legislature, rather than at the ballot, will set an important precedent and prepare Oregon well for the other important steps we need to take to achieve our greenhouse gas reduction goals. For these reasons, we strongly encourage you to pass House Bill 4036 this session.

Sincerely,



Kristen Sheeran, Ph.D.
Oregon Director, Climate Solutions