

To: Senate Committee on Business and Transportation, 2016 Oregon Legislature

From: Margaret Tallmadge, Environmental Justice Manager, The Coalition of Communities of Color

Date: February 21, 2016

Re: Testimony on 2016 OR HB 4036: Healthy Climate Bill

Dear Chair Beyer, Vice-Chair Girod, and Members of the Senate Committee on Business and Transportation:

Formed in 2001, the Coalition of Communities of Color is an alliance of 19 culturally-specific community based organizations with representation from six communities of color: African, African American, Asian and Pacific Islander, Latino, Native American and Slavic.

The communities the CCC and our member organizations serve often face poverty, high unemployment, housing instability, and unequal access to political representation, social services and institutions. On top of the many barriers our members confront every day, the ill effects of pollution and climate change hit our communities first and most severely. That is why we support HB 4036, a legislative proposal that would rid Oregon of coal-fired power and replace it with clean, renewable energy.

We are, however, extremely troubled by – 41 Amendments, which will remove a target subscription for low-income customers. The CCC is prepared to remove its endorsement of HB 4036 if these changes are approved.

HB 4036 includes a commitment to launching a community solar program and specifically ensures that 10% of the program will be made available to low-income communities. While ultimately we want more low-income households to benefit from community solar and a guaranteed commitment to how much community solar power is developed, we see this as an important start to this program. We've seen similar programs work effectively in states like Colorado, California and New York. Since the amendment clearly directs the PUC to make incentives available to customers, low-income households could participate without increasing costs for other community solar customers.

Community solar has the opportunity to deliver ongoing bill savings through generation of renewable energy. We need low-income inclusionary targets to ensure equitable access to these economic and environmental benefits. While low-income customers have paid millions of dollars into programs to support renewables, most have not been able to access the rebates and incentives. A number of our members and constituents are actively seeking district scale energy, including solar projects, but require additional pathways, such as community solar with low-income subscription targets, to do so. Failing to include this provision will result in legislation, which neglects the needs and ignores the voices of low-income Oregonians. We must ensure the input and governance of underserved communities in the determination of communities that are targeted for low-income support.

Community solar is additional to existing weatherization and efficiency programs, and low-income customers should have access to all the tools available to stabilize household energy costs. But, the current amendment also makes the program available to all utility customers. Without specific targets, projects could be developed that serve exclusively large commercial customers. This does not reflect the spirit and intent of community solar.

Section 22 (5)(b) is NOT an alternative to the original subscription target. Both scenarios of unsubscribed energy from a project, or energy generated in excess of annual usage by a subscriber are unlikely to occur as a project manager would seek to fill project subscriptions. And properly subscribed, a project would not have excess generation. In the current net-metering program, it is rare to have excess generation. Only an inclusionary target of will help ensure that any low-income customers will benefit from community solar.

Our members and many Oregonians are not just interested in the financial benefits of solar, but job training opportunities, community economic development potential, and the satisfaction of protecting the environment. A low-income subscription target would allow access to each of these benefits. Currently, it is unclear what mechanism ensures that these customers could receive benefit, as "made available" is not very strong. Direct goals for community management, job-creation and localization of projects in disadvantaged communities would help ensure an equitable distribution of benefits.

Finally, changing the PUC directive to include "least cost, least risk, greatest equity" in planning would be a fundamental shift in the way that Oregon utilities view investments. This change is consistent with ways that public utility regulators in other states have started to take into account social equity principles as part of ratemaking and policy decisions. In addressing climate change, we have no reason not to simultaneously address issues of unemployment and poverty. We can do both.

We agree with environmental activists, rate-payer advocates, labor and faith groups and businesses that clean energy is a benefit to our communities, and that community solar benefits for low-income customers is essential. Removing coal pollution and doubling our renewables is an important step toward addressing climate and social justice. We also recommend policy changes to ensure equitable distribution of benefits, and in order to truly transform the power infrastructure and related decision making processes. Other states such as Colorado, New York, and California are stepping up their commitment to renewable energy generation, including equity provisions. Why would Oregon, with its Green reputation, fall behind? We hope you will pass this important measure including a 10% low-income subscription target and put Oregon on a path toward creating a clean, healthy environment and economy that benefits all.

Attached is also testimony submitted to the House Committee on Energy and Environment in support of HB 4036; however, this testimony is focused on -41 Amendments.

If you should have any questions, please contact me at maggie@coalitioncommunitiescolor.org.

Signed,

Margaret Tallmadge

Environmental Justice Manager Coalition of Communities of Color



To: House Committee on Energy and Environment, 2016 Oregon Legislature

From: Margaret Tallmadge, Environmental Justice Manager, The Coalition of Communities of Color

Date: February 1, 2016

Re: Testimony on 2016 OR HB 4036: Healthy Climate Bill

Dear Chair Vega Pederson, Vice Chairs Reardon and Johnson, and House Interim Committee on Energy and Environment:

Formed in 2001, the Coalition of Communities of Color is an alliance of 19 culturally-specific community based organizations with representation from six communities of color: African, African American, Asian and Pacific Islander, Latino, Native American and Slavic.

The CCC is a 100% consensus based coalition, and often member organizations require board approval for endorsements. For this reason, we cannot offer official endorsement of HB 4036, but are confident our 19th member will approve endorsement for the concept.

We are a diverse coalition of community leaders, organizers, direct service providers, and racial justice advocates that represent a broad cross section of communities in Oregon who have been underserved by the state's political representation and social services. The communities the CCC and our member organizations serve often face poverty, high unemployment, housing instability, and unequal access to social services and institutions. We write today because we know that on top of the many barriers our members confront every day, the ill effects of pollution and climate change hit our communities first and most severely. That is why we support HB 4036, a legislative proposal that would rid Oregon of coal-fired power and replace it with clean, renewable energy.

Coal fired power plants pose a serious public health risk, releasing dangerous toxins and chemicals in the air exposing those who live and work around them to increased risk of asthma, heart failure, lung disease and other associated illnesses. Nationally, African Americans are far more likely to reside near coal plants, and Native Americans experience higher rates of asthma than other racial and ethnic groups.

Furthermore, we know that in addition to being bad for our health and our environment, coal presents an economic risk of increased costs for consumers. At the same time, renewable energy sources continue to drop in price as technology becomes more sophisticated and is scaled up. We represent community members who struggle day-to-day to afford housing, feed their families, and pay for daily expenses. HB 4036 will provide more affordable electricity rates over the long-term by making this shift to clean, renewable energy from coal-based energy. However, we also seek to ensure that there are tangible benefits to our communities as utilities invest in cleaner infrastructure. Local energy and equity should be front and center going into 2017.

Currently, a utility could conceivably comply with the renewable requirement by building or buying from low-cost resources anywhere in the West using bundled Renewable Energy Credits (RECs). An additional target for acquisition of smaller-scale projects as well as job creation in Oregon, and in disadvantaged communities, would ensure that there is direct benefit. An amendment would still just be the first step in a path towards including environmental justice in state energy policy. Many other states have implemented both in-state requirements and equity goals for their RPS. Since there is an existing 4% rate impact ceiling to protect customers, we advocate for projects that deliver in-state benefits, not just lowest costs.

HB 4036 includes a commitment to launching a community solar program and specifically ensures that 15% of the program will be made available to low-income communities. While ultimately we want more low-income households to benefit from community solar and a guaranteed commitment to how much community solar power is developed, we see this as an important start to this program. We've seen similar programs work effectively in states like Colorado, California and New York. Oregon and low-income families need every tool (not just energy efficiency or energy assistance) to ensure savings and community economic development. A number of our members are actively seeking district scale energy, including solar projects. We must ensure the input and governance of underserved communities in the determination of communities that are targeted for low-income support. It is also unclear what mechanism ensures that these customers receive benefit, as "made available" is not very strong. Direct goals for community management, job-creation and localization of projects in disadvantaged communities would help ensure an equitable distribution of benefits. We need this low-income provision.

Communities of color and low-income households are disproportionately located along high traffic corridors, resulting in disproportionate exposure to toxic air contaminants or criteria air pollutants and related health impacts. Increased electric vehicle infrastructure is essential to reducing pollution from cars. Currently, the intent language suggests increased access to EV infrastructure for low and moderate- income communities; however, the implementation language fails to address these goals or objectives, and there is no mechanism in the bill to ensure the benefit to low and moderate-income customers. We expect future legislation to include this.

Finally, changing the PUC directive to include "least cost, least risk, greatest equity" in planning would be a fundamental shift in the way that Oregon utilities view investments. This change is consistent with ways that public utility regulators in other states have started to take into account social equity principles as part of ratemaking and policy decisions. This would take a major effort.

We agree with environmental activists, rate-payer advocates, labor and faith groups and businesses that clean energy is a benefit to our communities. Removing coal pollution and doubling our renewables is an important step toward addressing climate justice. We also recommend policy changes to ensure equitable distribution of benefits, and in order to truly transform the power infrastructure and related decision making processes. Other states such as Colorado, New York, and California are stepping up their commitment to renewable energy generation, including equity provisions. Why would Oregon, with its Green reputation, fall behind? We hope you will pass this important measure and put Oregon on a path toward creating a clean, healthy environment and economy that benefits all.

If you should have any questions, please contact me at maggie@coalitioncommunitiescolor.org.

Signed,

Margaret Tallmadge Environmental Justice Manager

Coalition of Communities of Color

