

**Testimony to the Senate Business and Transportation Committee
on House Bill 4036-A
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**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-A, 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.

Bill 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-A 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 off 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.**

It is important to note, however, that provisions in the bill relating to Renewable Electricity Credit (REC) changes are critical for achieving substantial emissions reductions. These changes encourage early action that will displace a default to other fossil fuel resources as we transition off coal in the next five years. These changes will also allow renewable energy project developers to take advantage of federal tax credits, which benefits ratepayers. We urge strong support for the REC provisions.

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 lack of residential charging equipment is a barrier to expanded EV adoption.

Utilities 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-A 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, and we strongly support including a specific requirement for low-income households. More Oregonians deserve access to clean, renewable forms of energy. Creating a new community solar program will spur 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 on average 0.9% 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, are already being damaged by climate impacts. HB 4036-A 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-A.