

## Compilation of Questions Submitted by Committee Members for Dr. Burtraw

### Senator Olsen:

- Information provided on Cap and Trade in Oregon indicates that some of the “winners” if you will, will be construction, retail, and the health care industry.

Why would it be economically sound for Oregon to offset family wage manufacturing jobs with jobs that are of limited duration, such as construction, low wage jobs, such as retail and the health care industry, which by documentation would not need as many workers due to the cleaner atmosphere, thereby allowing Oregonians to be healthier?

- At our last meeting, I quoted one of your papers, stating that Cap and Trade is a regressive tax, but there were three options to lessen that burden. Since Oregon’s cap and trade does not do a remarkable job in reducing CO<sub>2</sub>, 1.4 MMTCO<sub>2</sub>e, per year over 32 years, is this not simply an untapped revenue source masquerading as a significant reduction in CO<sub>2</sub> so that the State can redistribute wealth as it chooses?

### Senator Bentz:

- Given the fact that the excess CO<sub>2</sub> problem cannot be solved by a handful of states reducing their emissions, you have suggested that state action could be beneficial in three ways:
  - To catalyze broader actions down the road by being a laboratory in which to experiment with CO<sub>2</sub> policies;
  - As a testbed for Cap and Trade markets;
  - Establish groundwork for broader actions.
- Oregon has established and often refers to, as the measure its success in the CO<sub>2</sub> arena, a “goal” of a certain amount of reduction in CO<sub>2</sub> produced by a certain date (2050 for example). Your analysis as set forth above suggests that such an approach, unless it generates one or more of the three outcomes listed above, is focusing on the wrong measure of success. In other words, simple reduction in CO<sub>2</sub> in a small state such as Oregon, is not necessarily the best use of Oregon’s resources. How would you suggest that Oregon target progress in the CO<sub>2</sub> area, and how are the three benefits you list to be measured?
- You mentioned that a state should not establish and impose a Cap and Trade market unless the structure benefitted the state economically. Oregon is a small state which can be negatively impacted by a poorly designed statewide carbon program. There are many ways to assume that there will be benefits to adopting such a market, but they are all based upon assumptions, many which are being called into question in the Province of Ontario as its Cap and Trade market is being perhaps dismantled. What protections can be built into a Cap and Trade system to protect against such disruptions?
- If worldwide transitioning to non-fossil fuel is the goal, then why is the Cap and Trade device the best means of achieving this outcome?

### Senator Beyer:

- What are the 10 things Oregon should be doing to reduce emissions?
- Where are our emissions?

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- What is the low hanging fruit- (quickest and least cost) way to reduce?

### Senator Dembrow:

- What kind of things the carbon office can answer for the committee.

### Senator Steiner Hayward:

- If the economic benefits are so clear (e.g. lower energy prices, economic activity generated, etc), what are the compelling arguments against moving toward cap, trade & invest?

### Representative Kotek:

- What are the pitfalls that we should avoid in designing our own Cap and Trade program given that Oregon is smaller and has lower emissions?
- How would you compare the economic opportunities under a cap and trade program versus a carbon tax?

### Representative Helm:

- Has Cap and Trade impacted transportation fuel prices in California?

### Representative D. Smith:

- What are the opportunities for farmers and ranchers in a Cap and Trade program?

### Representative Reschke

- Would Oregon businesses have a cost advantage or disadvantage when compared to other States who do not price carbon (manufacturing, power generation, agricultural & forest production, e.g.) if Oregon implements a mandatory monetary cost to carbon output? Another way to ask the question is which policy produces cheaper goods and services for Oregonians and exports to other states/countries — a carbon pricing strategy or a non-carbon pricing strategy?
- Given that during a 2017 Joint Committee Meeting on climate change in response to a question on whether the legislature should pursue policies to mitigate climate change or adapt to it, Kathie Dello, Associate Director, Oregon Climate Change Research Institute responded, “I think we need to focus and it’s on adaptation.”

And given that during the last meeting by the Joint Committee on Carbon Reduction in response to a question about if Oregon were able to obtain a “carbon-zero” footprint, Phil Mote, Director, Oregon Climate Change Research Institute, said the Oregon’s effect in that scenario on global climate would be “imperceptible”.

Therefore, would it make better economic sense for the legislature to create a Joint Committee on Climate Adaptation instead of continuing to pursue carbon reduction in Oregon, beyond what we are already doing, (RPS, LCFS) which we know will be extremely costly and yet yield an imperceptible benefit to the overall goal of effecting climate?