

Union of ucsusa.org Two Brattle Square, Cambridge, MA 02138-5780 to17.547.5552 1017.804.9400 Concerned Scientists 1825 K Street NW, Suite 800, Washington, DC 20006-1232 t 202.223.6133 f 202.223.6162 ucsusa.org Two Brattle Square, Cambridge, MA 02138-3780 t 617.547.5552 f 617.864.9405 500 12th Street, Suite 340, Oakland, CA 94607-4087 t 510.843.1872 f 510.843.3785 One North LaSalle Street, Suite 1904, Chicago, IL 60602-4064 t 312.578.1750 f 312.578.1751

March 1, 2017

The Honorable Michael Dembrow Chair, Senate Committee on Environment and Natural Resources Oregon State Capitol Salem, Oregon 97301

The Honorable Ken Helm Chair, House Committee on Energy and Environment Oregon State Capitol Salem, Oregon 97301

RE: Carbon cap and pricing legislation

Dear Chairs Dembrow and Helm,

On behalf of the Union of Concerned Scientists (UCS) and our 13,000 supporters in Oregon, I am writing in strong support of establishing an enforceable limit and price on global warming pollution in Oregon.

In January, the Oregon Climate Change Research Institute released the Third Oregon Climate Assessment Report, a legislatively-mandated synthesis of climate science and impacts in Oregon. The report reaffirms what scientists have been telling us: Oregon is already experiencing the impacts of climate change, and human activity has played a key role. The report also makes clear that while some level of climate change is inevitable, the worst impacts can be avoided through ambitious efforts to curb global warming emissions in Oregon and throughout the world.

Since 2007, Oregon has had aspirational targets for reducing global warming emissions. While these targets have provided focus to Oregon's efforts to reduce carbon pollution, Oregon must establish enforceable limits on pollution if it is to succeed in meeting its goals. In addition, Oregon ought to establish an effective price on global warming pollution. A carbon pricing policy, such as a cap-and-trade program or a carbon tax, will help ensure that the costs of fossil fuel pollution, and the value of low-carbon technologies, are better reflected in the decisions businesses and consumers make. A carbon pricing policy would also generate revenue. UCS encourages lawmaker to use revenues, at least in part, to fund a transition to a clean energy economy, protect low-income families and impacted workers, and improve the livelihoods of underserved and rural communities.

Carbon pricing policy is not a hypothetical policy tool; it is a proven tool to reduce emissions. In fact, by the end of this year a quarter of global emissions could be covered by a carbon price. Oregon has the chance to build on these successful examples to create a program that reduces pollution and meets the unique needs of Oregonians.

UCS has reviewed many of the legislative proposals that would create enforceable limits on emissions and/or place a price on carbon. UCS has concluded that SB 557 is a thorough and well-vetted policy proposal that would effectively cap and price global warming emissions and wisely invest proceeds in clean energy solutions and prioritize low-income, underserved, and rural communities. There are other proposals that also hold merit and could potentially provide an effective framework for reducing and pricing pollution. However, we have questions about key design elements and believe more details need to be considered.

With all signs pointing to a drawback of federal policies to reduce climate pollution, ambitious actions by the Oregon Legislature to reduce carbon emissions and accelerate a clean energy transition have never been more necessary. We hope you will seize the opportunity in 2017 to craft practical, science-based solutions to put Oregon on a pathway to decarbonizing the economy and building a clean energy economy.

Sincerely,

Jason Barbose

Western States Policy Manager

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