

AGENDA

Environmental Justice and Just Transition Work Group

September 21, 2017

8 AM – 9:45 AM

Hearing Room 50 of the State Capitol (ground level)

https://www.oregonlegislature.gov/citizen_engagement/Pages/Legislative-Video.aspx

Welcome and Introductions – Senator Michael Dembrow and Representative Ken Helm

Work Group Charge and Questions and Guiding Principles – Representative Pam Marsh and Representative Diego Hernandez

Background Presentations:

- *Overview of Cap-And-Invest Policy*

Colin McConnaha, Senior Climate Policy Advisor, Department of Environmental Quality

- *Opportunities in Cap-and-Invest for Environmental Justice Communities*

Maggie Tallmadge, Coalition of Communities of Color

- *Opportunities in Cap-and-Invest for the Labor Community*

Barbara Byrd, Secretary-Treasurer, AFL-CIO

Roundtable Work Group Discussion – All

Opportunity for Public Comment

Wrap Up and Next Steps – Representatives Pam Marsh and Diego Hernandez

Adjourn

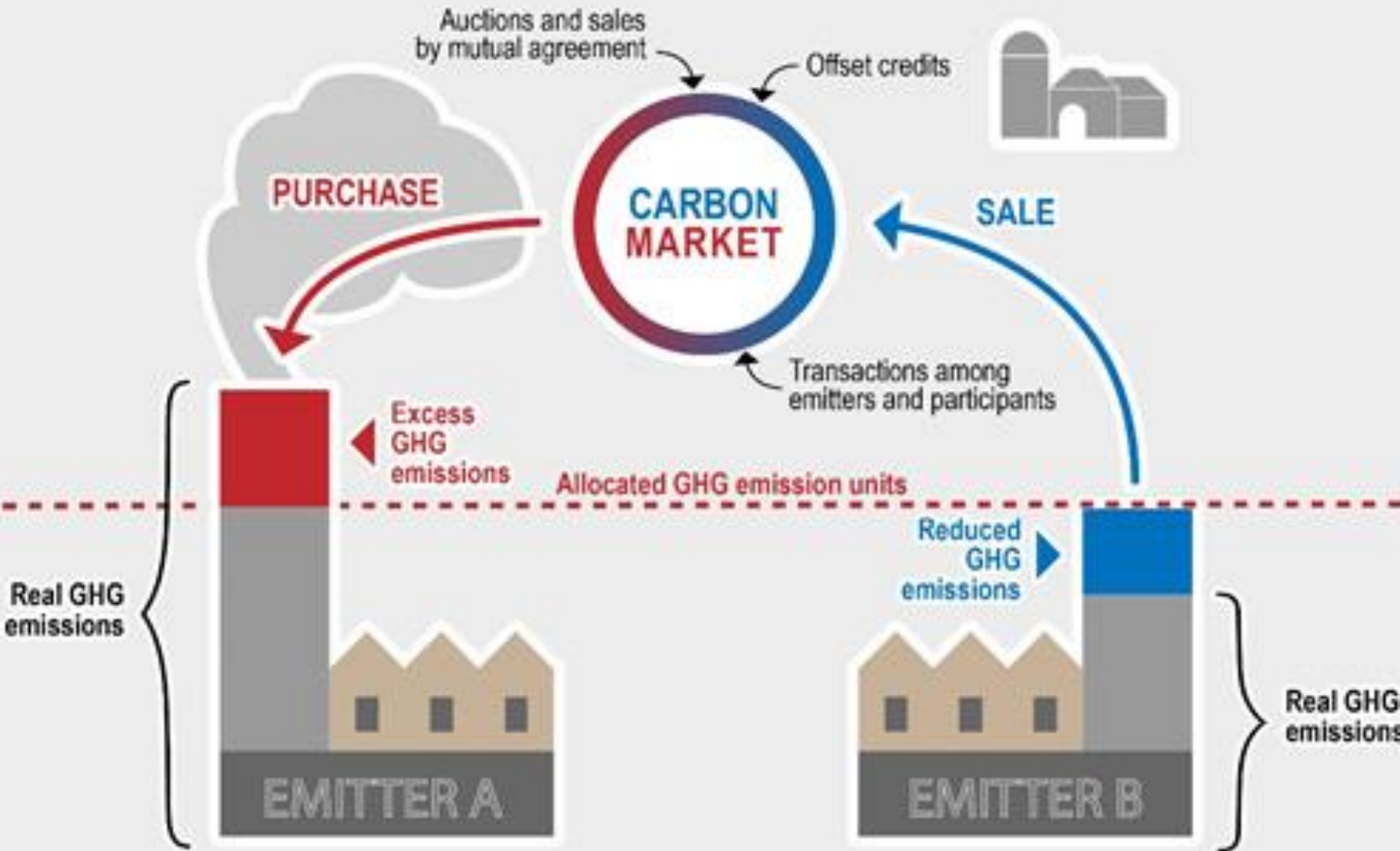
Presentation on GHG Cap and Trade Program (McConnaha, DEQ)

9-21-17

Greenhouse Gas Cap & Trade Program

Colin McConnaha, DEQ Senior Climate Policy Advisor

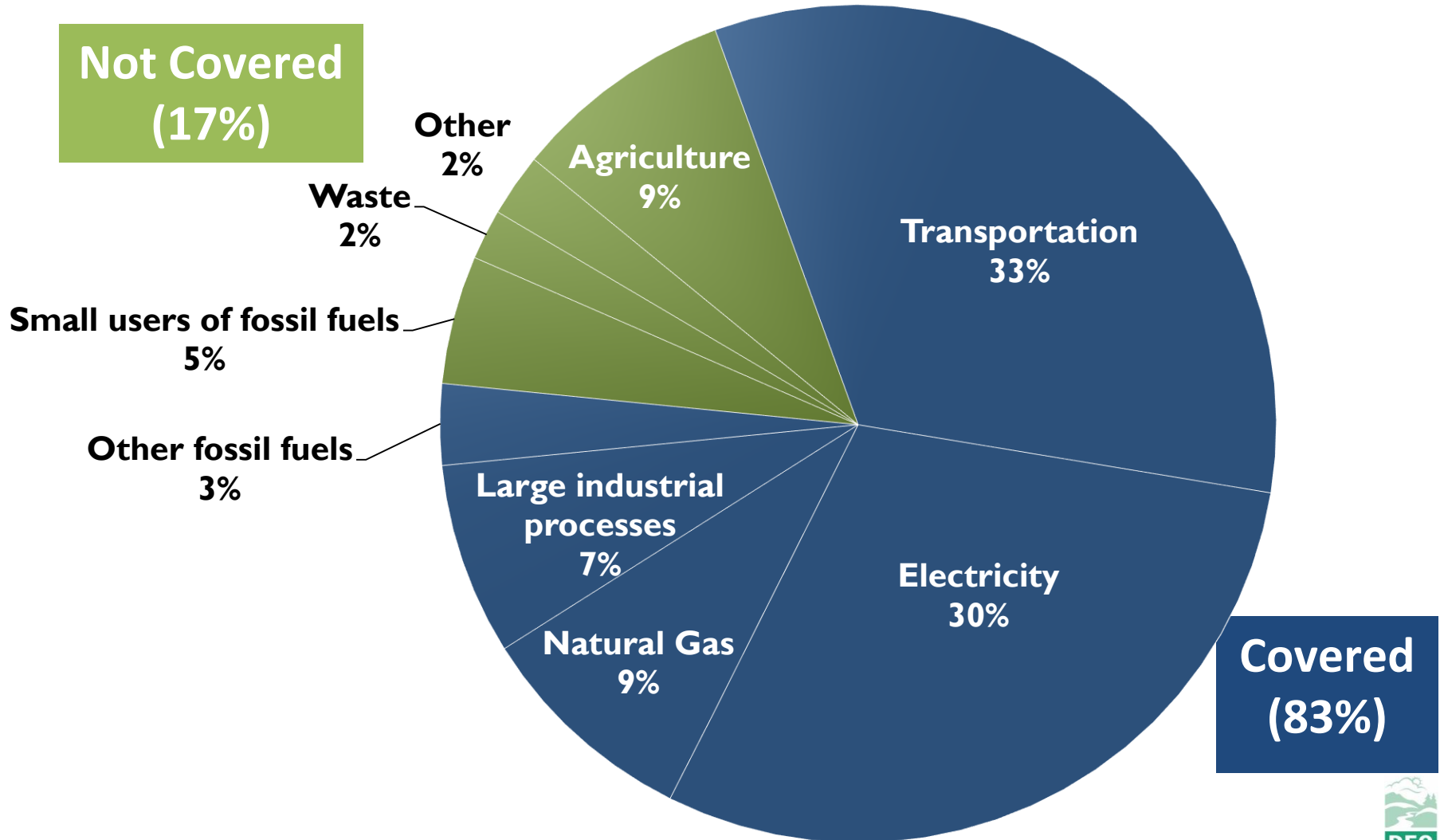
What is cap & trade?



Elements of a cap & trade program

- Scope
 - Point of regulation
- Emissions cap
- Allowance distribution
 - Revenue
- Cost containment
 - Offsets

Emissions covered by cap



Points of regulation

Transportation fuels

- Terminal racks
- Importers

Natural gas

- Utilities
- Pipelines
- Large industrial users

Electricity

- In-state generators
- Importers

High emitting facilities

- Industrial process
- Large natural gas users

Emissions cap

- Align with Oregon's GHG targets
- Cap declines over time
- Key consideration for linkage with other jurisdictions

Allowance distribution methods

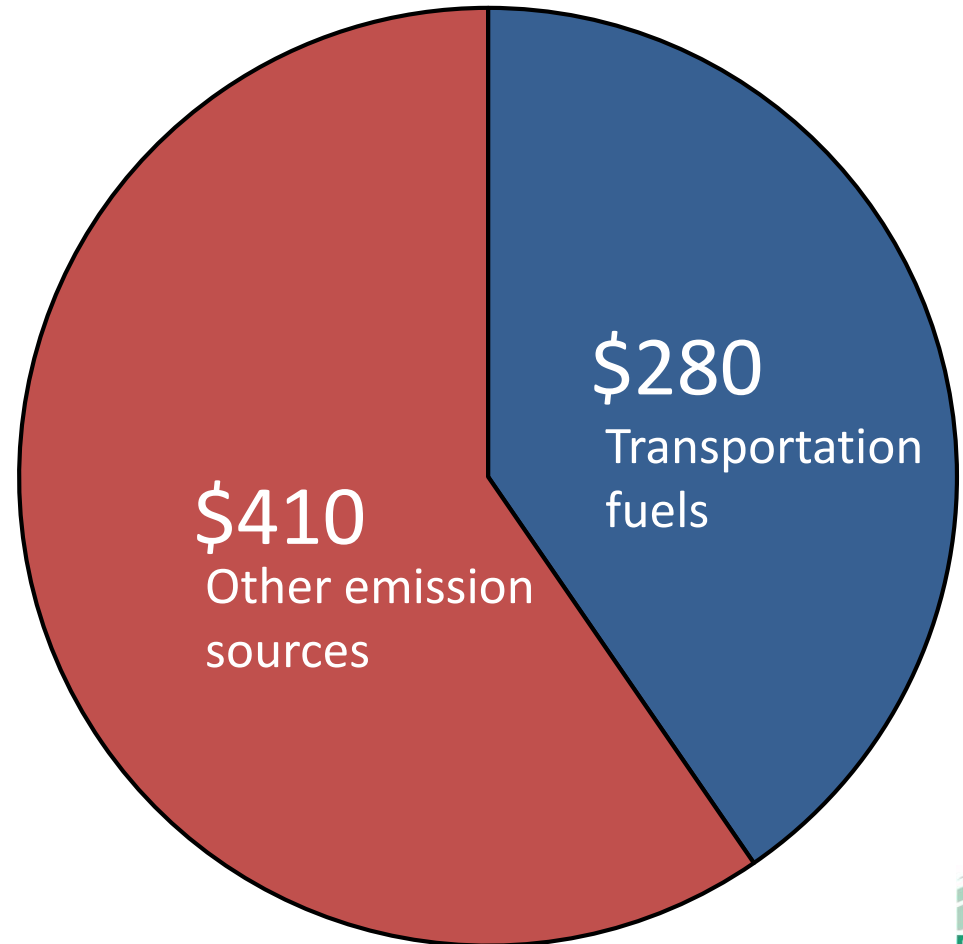
- Auction
- Free
- Consignment (hybrid)

Revenue

- Revenue from transportation may be restricted
- Remaining auction revenue could:
 - Benefit disadvantaged & rural communities
 - Minimize impacts to utility rates
 - Further reduce emissions
 - Other state priorities

Approx. revenue in 2021 (\$millions)

VERY rough
estimate of
potential revenue
generated by
auction of
allowances



Cost containment

- Banking
- Linkage
- Price floor
- Price ceiling
- Offsets

Questions?

Colin McConnaha, DEQ Senior Climate Policy Advisor

Work Group Homework
Questions to Answer for
Next Meeting
(9-21-17)

Clean Energy Jobs Work Groups

Meeting #1 -- Homework Questions

DIRECTIONS: No later than one week prior to the second work group meeting, please send your responses to the questions below to committee staff (beth.patrimo@oregonlegislature.gov or beth.reiley@oregonlegislature.gov). As you prepare your responses, please consult with others in your organization or industry, particularly any located in jurisdictions currently participating in the Western Climate Initiative.

Question 1: What aspects of a cap-and-invest policy as it is being discussed in Oregon are you most concerned about for your organization/industry/constituents/customers?

Question 2: What changes would you suggest be made to cap-and-invest as it is currently being discussed to address the concerns you have?

Question 3: What opportunities do you believe exist for your organization/industry/constituents/customers from implementation of a cap-and-invest policy as it is currently being discussed in Oregon?