

To: Oregon Senate Committee on Environment and Natural Resources, Oregon House Committee on Energy and the Environment

Re: Testimony – SB 1507/HB 4001/Clean Energy Jobs Bill (CEJ)

February 5, 2018

Dear Chair Dembrow, Chair Helm, and Members of the Committees

Today's young Oregonians and future generations will look back at this moment in history. They will realize that we were fully aware of the mounting risks posed by climate disruption and that it would affect all sectors of society. They will also know that we already had the technologies needed to avoid the dire consequences of insufficient action. They may also realize that many vested interests argued against taking the necessary actions even though "business as usual" was clearly unsustainable. What we don't know today, but they will definitely know in the future, is whether Oregon mustered the political courage to do the right thing and pass the Clean Energy Jobs bill in 2018.

There are many reasons we urgently need this bill. A transition to clean energy is necessary for our national security, the US and Oregon's economy, and the well-being of all our citizens. Leaders in diverse sectors and across the political spectrum agree. The US Military warns that climate disruption "poses immediate risks to U.S. national security" and calls it a "threat multiplier". Business leaders and investors worry about supply chain and investment risks resulting from climate disruption. At the same time, many of those same people also see a seismic business opportunity as economies around the world de-carbonize at an increasingly rapid rate. Public health leaders cite a "potentially catastrophic risk to human health." Religious leaders from all major traditions, including Pope Francis, say we have a moral responsibility to act. Scientists warn that increasingly dire consequences are getting "baked" into the climate system. Economists caution the longer we wait to act, the more it will cost.

However, I think the best reason to pass the CEJ bill is one that has not received much attention – the positive effect it will have on our economy. Climate disruption is bad for Oregon's businesses. The bill caps and puts a price on green house gas emissions from the largest emitters in the state. Proceeds from CEJ estimated at \$700 million per year will be reinvested into our state's clean energy economy to create good-paying jobs, a just transition and make our air cleaner.

Economic winners in tomorrow's markets will be those who anticipate and meet the growing need for climate-change solutions. CEJ levels the playing field and allows the free market to stimulate innovation and accelerate Oregon's transition to clean energy. This is the economy of the future and many other states and regions around the world are moving rapidly towards it. Goldman Sachs predicts that \$3 trillion will be invested in clean energy over the next 20 years. CEJ will help ensure that Oregon does not get left behind.

In addition, CEJ will make Oregon's economy more competitive. Continued use of fossil fuels as a primary energy source is unsustainable. Given this reality, restrictions on greenhouse gas emissions will eventually become practically universal. Economies around the world are de-carbonizing at an increasingly rapid rate. To remain competitive, Oregon needs to do the same. The CEJ bill offers a market-based approach with the least cost to encourage more businesses to use clean energy to produce their products and services. This is good for the economy and good for the environment.

Some local companies have already started. Northwest Hazelnut Co. recently installed a large solar power system in Hubbard to produce all the electricity the processing plant uses. The company noted that it was the first such plant in the world to do that and also said it will save them \$60,000 a year. In addition they claim making their operations more sustainable has appealed to their customers, particularly in Europe where they hope to grow market share. This is a clear example that demonstrates Oregon's rural and agricultural sectors can be a meaningful part of the solution to global climate challenge, while creating jobs and boosting our local economy.

Sincerely,

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