To: Interim Senate Committee on Natural Resources and the Environment

Re: LC-19

Dear Senator Dembrow and members of the Committee:

I am speaking on behalf of the Multnomah County Democrats Climate Action Team. Climate change is placing human health and survival in grave threat. The UN and scientists of the IPCC are now recommending a greenhouse gas (GHG) reduction of 7.6% per year for the coming decade. This calls for strict targets and action on an emergency basis.

We support carbon pricing and the mechanism of cap and trade. The current bill is not nearly stringent enough though the mechanism may work years in the future.

We need a bill that establishes a declining cap on all GHGs, applies to all polluters because this cap and the mechanism of paid allowances will incentivize all industries to transition to clean energy and reduced GHG emissions from industrial processes. In addition, the targets from this bill are inadequate in the face of 7.6% reduction per year and we need to be at net zero carbon emissions by 2050.

Sadly there is a sector of the legislature that does not understand the dire crisis that climate change is causing and are unwilling to accept any carbon pricing. They have stated in press conferences that they will not accept this and will walk out of the Senate. Given that, there is no reason to water down the former HB 2020 that was negotiated in good faith and brought in many more voices to the table.

Working with the current bill, we strongly recommend the following improvements:

**NW Natural Gas** was given dispensation for low-income rate users with the amount of thirty percent of free allowances. Any additional free allowances will not allow us to meet our targets and will not incentivize the rapid change we need. Free allowances without strict rules on limiting allowance banking and sunsetting does not maintain the cost of carbon at an adequate level to drop the level of polluting.

We also recommend that energy audits of industrial users to encourage increased energy efficiency also address fugitive methane emissions.

**Transportation is the second leading cause of greenhouse gas emissions after logging.** A geographic phase-in first of the Portland Metropolitan area in year 1 and then adding those areas that use at least 10 million gallons annually in Year 2 that covers almost 85-87% of all emissions is a compromise that is acceptable but not waiting three years for the rest of the

population centers. We heard testimony that this plan will allow gaming and poor tracking of the sale of gasoline by end users.

Investments/Governance: The degree to which impacted communities will receive needed investments to both mitigate and help adapt to climate change is uncertain. The allocation of 25% for natural and working lands via the Oregon Watershed Enhancement Board is very vague. There needs to be clear goals and uses for this money. Does it have to do with adaptation and watershed improvement? Does it pay for the damage caused by clearcutting near streams or the harms due to grazing along streams? Or does it help replant previous forested lands for sequestration of carbon? Goals need to be articulated both for understanding of the investment and buy-in from non-urban centers and to make sure the money is being spent to reduce greenhouse gas emissions and climate changes impact.

The second major allocation of 25% for wildfire mitigation is likewise lacking in any guidelines. Having attended the hearing on the LC-83 bill from the Governor this effort is not well-thought out in terms of effectiveness of preventing wildfire (unlike money spent on home hardening and defensible space). Clear carbon accounting is not included in the governors' bill so we may be releasing more carbon than might occur by natural fire. Many areas that have been thinned or logged actually increase fire risk, so being very careful in outlining the goals and sites is essential. Only 20% of the monies are to be allocated to programs that reduce greenhouse gas emissions.

I appreciate the work that this moving piece of legislation has required and honor the good faith of the legislators in tackling such a difficult issue.

Sincerely,

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