



January 29, 2020

To the leadership and legislators of the Pacific Coast,

As major businesses, healthcare systems, employers, and large energy consumers on the Pacific Coast, we write to express our support for the transition to a low-carbon economy. We commend the leadership our region has shown thus far by advancing decarbonization policies and coordinating through the Pacific Coast Collaborative. We recognize there is significant opportunity for the region to build on our successes by implementing market-based mechanisms to reduce greenhouse gas (GHG) emissions in Oregon and Washington.

Expanding Pacific Coast carbon markets is essential to driving sustainable economic growth and protecting the region's iconic natural resources. From agriculture, seafood and forestry to technology and advanced manufacturing, our region is built on a diverse set of industries. Carbon markets will expand economic opportunity in our region and spur innovation while protecting these sectors from climate impacts. An ambitious emissions cap will generate proceeds and enable investments that will drive economic and health benefits that are important for our employees, customers, and patients--especially those in rural areas and disproportionately impacted communities.

Climate change poses a significant risk to our long-term economic success, impacts the health and livelihood of the communities in which we live and operate, and disrupts the value chains on which we rely. Because of these risks, we have made significant commitments to reduce our GHG emissions. Health systems in the U.S. have committed to increasing climate resilience and reducing GHGs.¹ Nearly half of all Fortune 500 companies have set goals to reduce GHG emissions, procure renewable energy, and invest in energy efficiency.² As businesses and institutions, we see this as an economic opportunity--in 2017 major energy buyers in the US saved nearly \$3.7 billion a year from investments like these.³ However, we cannot fully address the risks or realize the value of tackling climate change without a robust market for clean technology solutions and carbon reduction.

¹ Health Care Climate Challenge participants: <https://www.greenhospitals.net/climate-challenge-participants/#US>

² Ceres. "Power Forward 3.0: How the largest U.S. companies are capturing business value while addressing climate change" April 15, 2017. <https://www.ceres.org/resources/reports/power-forward-3>.

³ Ibid.

Market-based cap-and-invest policy initiatives have proven to be highly effective in reducing GHG emissions, while fostering economic growth and spurring innovation.⁴ Policies that allow markets to internalize the cost of GHG emissions provide market certainty that businesses and institutions need to plan and invest in the future. Market mechanisms also enable flexibility with financial incentives for entities that can reduce emissions at least-cost to do so, ensuring that reductions are achieved in the most cost-efficient manner. This drives innovation and attracts investments that support the commercialization of low-carbon technologies, innovative practices to sequester carbon, and new jobs.

Adding more states to the region's linked carbon market will provide more cost-effective emissions reductions for all. With a vanishing window in which to avoid the worst impacts of climate change, maximizing the economic efficiency of GHG reductions is critical for expediting the transition to a low-carbon economy. Since 2008, the Pacific Coast has reduced GHGs by 10 percent while our regional GDP has grown by 48 percent.⁵ While carbon markets in Washington and Oregon should be responsive to individual state needs, linkages with the California market will improve economies of scale and market efficiencies--further accelerating carbon reductions and economic growth in all jurisdictions.

We strongly support the expansion of well-crafted carbon reduction policies. A market-based cap-and-invest program should be part of an ongoing suite of complementary policies, from air quality to clean energy standards. We look forward to working with you to ensure that specific legislative proposals enhance our region's vitality and competitiveness, while improving the livelihood and health of citizens in our communities.

Thank you for your consideration.

Sincerely,

Adobe, Inc.
Autodesk, Inc.
Ben & Jerry's
***California Health Care**
Climate Alliance
Clif Bar & Company
CommonSpirit Health
Craft Brew Alliance
DSM North America

Fetzer Vineyards
Levi Strauss & Co.
Microsoft
MultiCare
Nature's Path Foods
NIKE, Inc
PayPal
Providence St. Joseph Health
Salesforce

Schneider Electric
Seventh Generation, Inc.
Sierra Nevada Brewing Co.
Trillium Asset Management
Uber
Unilever
***Washington Health Care**
Climate Alliance

**Members of the California Health Care Climate Alliance⁶ and the Washington Health Care Climate Alliance⁷ include CHI Franciscan, Dignity Health, Kaiser Permanente, MultiCare, Providence St. Joseph Health, Seattle Children's, Sutter Health, Swedish Health Services, University of California Health, UW Medicine, and Virginia Mason Medical Center.*

For additional information or to connect with the signatories, please contact Emily Duff, Senior Associate for State Policy at Ceres (duff@ceres.org).

⁴ In 2017, California's economy grew well above the national average at 3.6 percent, all while exceeding its GHG reduction goals, see: <https://www.gov.ca.gov/2019/08/12/governor-newsom-announces-climate-pollution-continues-to-drop-below-2020-target-while-states-economy-grows/>; From 2008-2015, the nine states participating in the Regional Greenhouse Gas Initiative (RGGI) experienced CO2 emissions falling 16 percent more than the rest of the country, while the region's economy grew 3.4 percent more than other states and retail electricity prices dropped 3.4% across the region. See: Acadia Center. Regional Greenhouse Gas Initiative Status Report: Part I: Measuring Success. July 2016. <http://acadiacenter.org/document/measuring-rggi-success>.

⁵ Data from the Pacific Coast Collaborative, see: https://pacificcoastcollaborative.org/wp-content/uploads/2018/08/PCC_ReportCard_Sept2018-email.pdf.

⁶ See: <https://noharm-uscanada.org/content/us-canada/california-health-care-climate-alliance>

⁷ See: <https://noharm-uscanada.org/washington-health-care-climate-alliance>