



Oregon

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MEMORANDUM

To: Senate Committee on Environment and Natural Resources

From: Janine Benner, Director

Date: April 5, 2019

Re: SB 928 – Oregon Climate Authority

Thank you for the opportunity to offer my perspective on Senate Bill 928. This bill makes climate change a central tenet of state government activities and governance for the first time in Oregon's history.

The new Oregon Climate Authority will bring together key state programs focused on reducing Oregon's greenhouse gas emissions and mitigating the effects of climate change.

Chief among these programs is a new carbon market. It is important to take the time to set up this market efficiently and transparently. It will be a key tool and backstop to meeting the state's climate change goals.

In the meantime, the state must continue working on programs and policies that prioritize renewable energy, energy efficiency and conservation, and sustainable transportation – all programs that *right now* are reducing greenhouse gas emissions and moving Oregon to a lower-carbon energy system.

Transitioning ODOE's energy programs to the new Oregon Climate Authority will help to ensure that the state maintains a strong focus on reliable, affordable energy. It will combine new policies and tools with those that have already made Oregon an energy leader. For 12 years in a row, we've been named one of the top 10 most energy efficient states; our population and GDP have increased while our state's energy use has gone down; and we are seventh in the nation for total renewable energy production.

Daily energy use accounts for 80 percent of Oregon's greenhouse gas emissions. To meet our climate goals, we must continue to shape policies that advance our state's strong track record of supporting diverse renewable energy resources and reducing energy use.

From droughts to wildfires to more intense seasonal storms, climate change is already affecting Oregon. The threats from climate change are significant and serious – so much so that we all know there isn't one program or one initiative that will be sufficient on its own to address the challenges ahead.

Instead, the Oregon Climate Authority will address climate issues on many fronts, and in the process, improve Oregonians' quality of life.

Some examples: further electrifying our transportation system will reduce greenhouse gas emissions while improving air quality, especially important in neighborhoods closest to our freeways and interstates. It will also leverage an increasingly clean electricity grid and reduce reliance on imported petroleum.

Renewable natural gas also reduces emissions while turning persistent waste streams like garbage, wastewater, and manure into beneficial energy produced in-state.

Energy efficiency and conservation help Oregonians keep their homes more comfortable and their energy bills more affordable, while at the same time reducing emissions.

SB 928 is about making sure we have the right tools and structure in place to address climate change and changing energy systems. A lot has changed since the Oregon Department of Energy was created in the 1970s, and the time is right to modernize our state's energy statutes.

That said, even as the driving forces behind our policies change, the core functions of research, analysis, technical assistance, program administration, and policy development are still necessary. SB 928 declares that it is Oregon's goal to assist the state's industries and households with the transition to an energy system and mix of energy resources that can achieve the state's greenhouse gas emissions reduction goals affordably and reliably. ODOE's programs will be central to meeting this goal.

As ODOE's director for a little over a year, I have seen the dedication and determination of our staff working hard to serve Oregonians. The ODOE team comes to work every day focused on making sure that Oregon has a safe, clean, and sustainable energy future. They are eager to continue these efforts while evolving to meet the challenges ahead – such as advancing policies that help Oregonians transition to a low-carbon energy system, supporting efforts to meet our state's climate goals affordably and reliably, and preparing for the effects we no doubt will continue to see from climate change.