

Dear Joint Committee on Carbon Reduction:

I applaud anything we can do to stop our carbon footprint, but it must be done fairly. I recently attended Central Electric's annual meeting and was advised of how HB 2020 will affect our rates. While rate increases may happen it's the why I don't agree with. I am proud to report that my electric company co op is 96 percent carbon emission free. Yet even though we are far above the 50 percent given to two investor owned electric company's this HB 2020 will increase our electric costs because of the unfair way credits will be distributed.

The credits a business receives are determined on carbon emissions over 3 year span 2017, 2018, and 2019. Due to load growth, CEC will exceed the threshold in 2020 a full year after the law goes into effect, but after the distribution of the carbon credits. Ironically, CEC would not receive any carbon credits and would be subjected to financial penalties, despite having a 96 percent carbon emission free energy portfolio. This is not true for all electric companies HB 2020 works hard to protect investor owned utilities.

In fact, two large investor owned utilities' in our state get a reprieve enough credits to cover 10 years, yes not 3 but 10 years of carbon emissions and they are only required to be "50 percent" carbon free by 2040! If we are looking at slowing our carbon impact why are we allowing two of the largest companies so long to comply and giving them carbon credits far beyond those given to my electric co op CEC? Why not just exempt all those electric companies that are at least 50 percent until 2040? What is the point of HB 2020?

As I see it HB 2020 is a good idea but it falls short of forcing those carbon admitters from complying and gives them way too much time to do so. If they can't comply until 2040 and if they can only comply at 50 percent then all electric companies should be exempt until 2040 doing anything else wouldn't be fair to the co op's who mind you are at 96 percent such as CEC.

I urge each of you to look at why HB 2020 is unfairly weighted to favor the two large electric companies in Oregon that are investor owned while hurting many of the co op's such as CEC that far more efficient. Are we trying to reduce our carbon footprint or are we attempting to hurt the co ops that are already running well above the 50 percent compliance of 2040? As its written it's clear that HB 2020 is doing nothing to reduce carbon if it's allowed to stay the way it's written allowing a threshold of 50 percent is too low.

All electric companies should be required to meet the 50 percent right away and those that are already at 50 percent should be exempt from HB 2020. Carbon credits should not be given to companies that don't comply with HB 2020 they should go to the ones that do.

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