

OREGON
BUSINESS
FOR CLIMATE

House Committee on Energy & Environment

Oregon State Capitol
900 Court Street NE
Salem, Oregon 97301

April 4, 2021

RE: SUPPORT FOR HOUSE BILL 2021-5 : advancing Oregon to 100% clean energy while supporting economic development and environmental justice

Chair Marsh, Vice-Chair Helm, Vice-Chair Brock Smith, Members of the Committee:

Thanks to recent amendments further improving the bill, Oregon Business for Climate is pleased to provide our strong support for HB2021-5.

The -5 amendment takes strong steps in addressing the opportunities for improvement that we raised in our prior letter of support. We appreciate the progress in the following areas:

- Clear emissions reduction requirement for 2040.
- Stronger support for a range of projects in Oregon, benefiting Oregon's economy, including community energy projects, and language directing agencies and utilities to ensure maximum benefits accrue to Oregon's economy wherever possible. Continued progress regarding in-state renewables would help strengthen these benefits even further.
- Retained and strengthened benefits for impacted communities, including opportunities such as living-wage jobs, workforce equity, and energy resilience, while minimizing burdens to environmental justice communities. The requirement to convene Community Benefits and Impacts Advisory Groups to guide this work is essential to ensuring positive results.

We previously outlined our rationale, from a business perspective, for supporting the HB2021 concept (included below). For Oregon to capture the economic benefits of leadership, we must act on clean energy now, and this strong, emissions-based approach, with its smart side-boards and off-ramps if necessary, is the right approach. The -5 amendment makes the necessary improvements, with the right parties involved, and helps position Oregon businesses for success in the growing clean economy.

Sincerely,



Tim Miller
Director, Oregon Business for Climate

***** PREVIOUS TESTIMONY REGARDING EARLIER VERSION *****

RE: Support for the overall direction of House Bill 2021 – advancing Oregon to 100% clean energy while supporting economic development and environmental justice

Chair Marsh, Vice-Chair Helm, Vice-Chair Brock Smith, Members of the Committee:

Oregon Business for Climate is pleased to provide our support for the overall direction of HB2021.

We are a league of nearly 100 businesses large and small across the state, representing nearly 30,000 employees in a range of industries from manufacturing to agriculture to transportation to healthcare. We believe climate leadership is critical to the health of Oregon’s industries and communities, and will help our state re-emerge as a leader thriving in the growing clean economy. To that end, our mission is to advance urgent, ambitious, equitable climate policies designed to help spur innovation and economic opportunity while effectively and responsibly reducing emissions.

As we look to solutions, we are pleased to provide input to you at a time when leaders across the legislature clearly see the impacts of climate change and, broadly speaking, see the need to address the issue.

In that context, forward-looking Oregon businesses take a pragmatic view on climate change and a clean energy grid. The discussion comes down to two questions: WHEN should we take action, and HOW.

Considering when, we know in the coming years there will either be a national, relatively generic solution, or a patchwork of state solutions. In the national solution scenario, we could wait and be swept up in an approach with little input from Oregon, and then scramble to make abrupt changes at the same time as other states are trying to do the same. Or, we could begin progress now toward a lower carbon economy, so our companies and communities and employees are already ahead of the transition, and ready to lead others.

If, instead, solutions are state-driven for the foreseeable future, then again, getting our state ahead of others is to our advantage, with workforce development and technology deployment jobs, plus innovation, products and solutions we can export to others as they adopt similar climate and clean energy goals.

This transition presents powerful economic development opportunities for Oregon. While some are concerned about the ‘costs’ or economic ‘impact’ of proactive moves toward clean energy, the data clearly shows the opposite. States and regions that have already led on clean energy have simultaneously delivered *growth that beats that of the rest of the country*. Further, a recent study by E2 in partnership with Oregon Business for Climate shows that Oregon employed nearly 57,000 clean energy workers before the COVID-19 crisis, 35 times more workers than fossil fuel companies, and 58% of all energy sector employment in the state, with wages 25% higher than the national median. (In Oregon, that means \$23.91.) Oregon lost 6,000 of these jobs to the COVID-19 crisis. The sector was one of the fastest growing pre-COVID. With legislative direction, these 6,000 jobs can be recovered quickly.

The leadership potential is clear. In either the national or state-driven policy scenario, on the question of when, the answer is now.

On the question of how, again from a pragmatic business perspective, the direction of HB2021 is the answer. As Senator Beyer (a balanced voice who has as much experience on these topics as anyone in our legislature) said in this committee on March 17th, this solution (HB2021) doesn't pick winners and losers, and it has the input of utilities to make sure it can work. It also has been built with close involvement of our most impacted communities – needs which must be addressed as part of cleaning up our energy system.

Beyond that, businesses appreciate that this solution has off-ramps to ensure the reliability of our energy system, and to ensure we don't face unexpected costs as we progress toward a clean grid.

So, Oregon Business for Climate supports the direction of HB2021 and where it is headed. But there is work left to be done: We see a clear need for continued progress on ensuring benefits for impacted communities throughout the state, and continued progress to include community and in-state renewables to capitalize on the economic benefit and resilience potential of this direction. With the smart off-ramps already built into the bill, we support the clarity of the 2040 goal. It's a goal we should hit, not 'seek to' hit (an unnecessary, weak inclusion in the dash 1 language).

In summary, forward-looking Oregon businesses see HB2021 as very positive overall, while needing some improvements. It's a great example of the legislature setting a broad direction and pace on a journey toward clean energy, with impacted communities, climate advocates, utilities, communities, businesses and others coming together to help chart that path, including clear and limited reasons to pause if needed, and with appropriate agencies (the PUC and DEQ) assigned to manage the specifics of the trip under your direction.

Like a winning business proposition, the concept captured in HB2021 combines the key ingredients of vision, leadership, participation and flexibility that position Oregon for success.

Sincerely,

Tim Miller
Director, Oregon Business for Climate