



Clean Energy Jobs Principles

Oregon can lead the nation in the transition to a clean energy economy. Our state is poised to reap the rewards of job growth, clean air and local, renewable energy if we continue to build on recent, laudable successes.

We must lead because the impacts of climate change and fossil fuels fall hardest on what we love most about living in Oregon: our rivers run low and warm threatening fish like salmon, our warming ocean blooms with toxic algae poisoning shellfish, our forests burn with increasing intensity filling the sky with choking smoke and our family farmers and ranchers watch dwindling snowpack and drying fields while Oregonians' grocery bills rise. Our most vulnerable – children, seniors, communities of color and rural Oregonians suffer from economic and medical hardship like extreme heat waves and chronic lung disease such as asthma.

Leaders in Oregon have taken many laudable actions to address climate change, including legislative adoption of greenhouse gas goals. Absent additional action, however, the state's current policies are not sufficient to meet those goals to reduce the state's share of global climate pollution.

A cap & price policy should be the centerpiece of a portfolio of climate measures to secure greenhouse gas reductions. As legislators evaluate policies to hold large sources of pollution accountable, these principles should guide their efforts; to be effective and equitable, the following principles must be true for any prospective policy. To beat back the greatest threat to this generation, secure and grow our economy both rural and urban, Oregon must be a leader in clean energy and climate protection.

Principles

- **Scientifically-based emissions reductions:** The cap is based on the best available science for Oregon's share of limiting warming to less than 2 degrees Celsius.
- **Economy-wide and long-term:** The cap is economy-wide, declining, and authorized through 2050 with interim targets to create long-term business and policy certainty.
- **Enforcement through stable pricing:** A price is placed on all qualified GHG emissions under the cap. The price is reasonably stable, economy-wide and can be adjusted over time to ensure the cap is met.
- **Complementary policies are included:** When setting the cap and pricing guidelines, complementary policies are taken into account because they will continue to play an important role in Oregon's climate strategy. These measures may be needed where a price signal alone is not sufficient to prompt action, where other tools (e.g., building codes) may be a more cost-effective, or where additional measures can jumpstart innovation and capture co-benefits (such as air quality improvements). In such circumstances, additional complementary measures may be warranted and beneficial.
- **Proceeds are reinvested to solve the problem and provide for economic opportunity:** Proceeds from GHG emissions pricing is reinvested into programs that: a) further reduce GHG emissions, and b) create opportunities for disproportionately affected populations, defined as low-income, rural, communities of color, and impacted workers. A minimum of 35% of proceeds as well as technical assistance for accessing the resources must be provided to these Oregonians.



- **Equitable:** Existing inequalities, such as pollution increases of co-pollutants (otherwise known as “hotspots”), are not exacerbated and the policy is corrects for regressivity. Benefits and opportunities are expanded.
- **Mitigates economic and pollution displacement.** The policy provides special accommodations, including resources, for energy-intensive, trade exposed (EITE) industries, identified to have high leakage risks as assessed by an independently verified third party economic analysis, preventing companies from simply moving operations elsewhere; the carve-out for EITE industries is transparent and will be reassessed and possibly adjusted at least every five years. This special treatment, as well as other supports deemed necessary, is designed to both retain Oregon businesses and jobs as well as effectively reduce overall emissions.
- **Assists industry and workforce:** Workers in highly carbon-intensive industries are provided with transition and retraining assistance. In addition, apprenticeship and pre-apprenticeship programs support equitable access to the clean energy economy.
- **Fair, transparent, and resourced administration:** Sufficient resources are provided to the state agency administering the program, paid for through administrative program fees. Disproportionately affected populations (as defined above) have meaningful representation in decision-making bodies for both policy and fund allocation. Use of proceeds is transparent and includes oversight and accountability of funding.
- **Collaboration with other jurisdictions:** Oregon is best served when it collaborates with other jurisdictions to achieve economies of scale, reduce administrative costs and expanded market access.

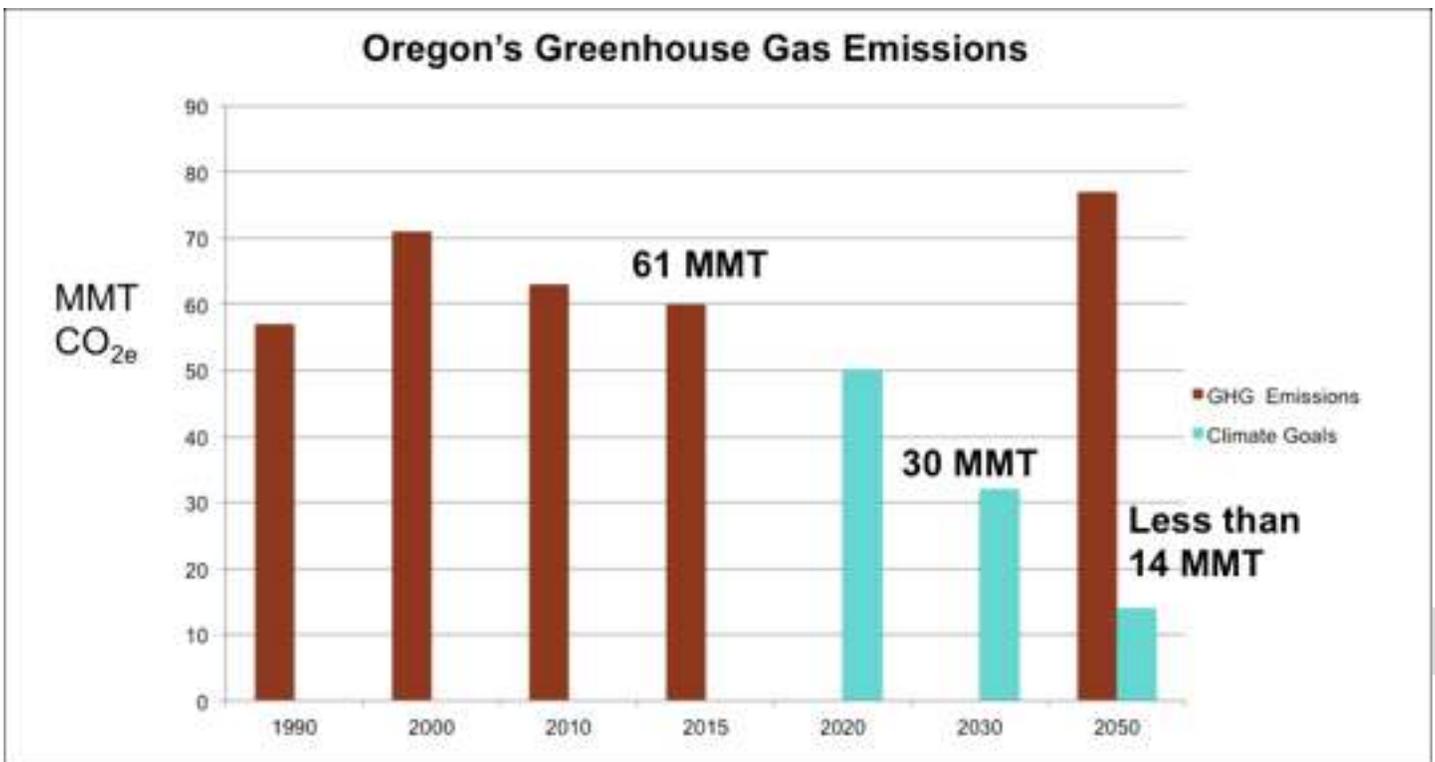


Chart based on information from the Oregon Global Warming Commission and greenhouse gas reporting data submitted to the Oregon Department of Environmental Quality. It has been a decade since Oregon passed climate reduction targets. We are falling short of our obligation to reduce climate pollution and will miss the 2020 target of reducing pollution 10% below 1990 levels. More concerted action is needed to be on track for 2050 targets, which should be updated according to best available science.