

Why SOCAN Supports HB2020

Alan Journet, Co-facilitator, Southern Oregon Climate Action Now
alanjournet@gmail.com; 541-301-4107. Updated April 16 2019

If enacted as it stands, HB2020 (establishing the Oregon Climate Action Plan) would immediately provide one of the strongest climate action programs, if not **the** strongest, nationally, and maybe also internationally. While we do not consider HB2020 to offer the 'perfect' comprehensive greenhouse gas emissions reduction program, despite its minor shortcomings, we are convinced that it offers a tremendously valuable means of reducing our state's Greenhouse Gas (GHG) while promoting mitigation, adaptation, renewable energy, and social justice. For this reason, Southern Oregon Climate Action Now enthusiastically supports HB2020.

Southern Oregon Climate Action Now recognizes and accepts the urgency for meaningful action in Greenhouse Gas (GHG) emissions reduction identified in the definitive 2018 Intergovernmental Panel on Climate Change (IPCC) report. This argued for a 45% reduction in emissions below 2010 levels by 2030, and a 100% reduction (to zero net GHG emissions) by 2050. Although the targets of HB2020 (*at least* 45% below 1990 level by 2035 and *at least* 80% below 1990 levels by 2050) are less stringent, we also recognize that (a) not everyone understands the science and accepts the wisdom of the IPCC in this arena, and (b) it is necessary to accommodate the concerns (whether reasonable or irrational) of those opposed to what they perceive as an extreme response.

Additionally, in terms of interim and 2050 targets, we recognize that those embodied in HB2020 are sufficiently stringent that they would place Oregon on a trajectory from which strengthening the targets, as time passes and awareness rises, will not impose an inordinate additional burden on Oregonians. Since the evidence clearly indicates the need for substantial GHG emissions reductions by 2030, and net zero emissions by 2050, we judge that it is urgent for Oregon to initiate a path towards substantial reductions. Even if the HB2020 path is not quite as rigorous as we'd like, it assuredly establishes substantial reductions targets and a mechanism for achieving them.

We note that there is no value in reducing Oregon's GHG emissions if the outcome is that manufacturers simply leave the state and continue to pollute at the same rate elsewhere. We are also conscious of the loss of jobs that such industry 'leakage' would impose on our state. Given the above, we recognize the importance of enacting, as HB2020 does, an economy-wide program that encourages and incentivizes all polluters in Oregon to reduce their emissions. Additionally, we also recognize (a) the importance of establishing a program that does not prejudicially target low-income Oregonians (hence the benefit of allocating some free allowances to electric and gas utilities to minimize rate increases, and awarding rebates / assistance to fuel users should these exhibit an undue rise following enactment of the program). Furthermore, (b) we acknowledge that there are some industries in the state that would be greatly penalized by the targets and procedures established in the proposal and understand the value in accommodating these concerns within reason - as HB2020 does.

HB2020 wisely takes a very cautious approach to the use of offsets, allowing them to cover only up to 8% of a polluter's obligation (with the requirement that 4% must "provide direct environmental benefits in this state"). Furthermore, all offsets projects must be located in the United States or jurisdictions that

are linked to the Oregon program. This allows meaningful certification of offset projects to assure they are not a sham, and, as the bill states: “real, permanent, quantifiable, verifiable and enforceable.” In addition, HB2020 allows that “The Director of the Carbon Policy Office may by rule adopt additional restrictions on the number of offset credits that may be surrendered by a covered entity that is an air contamination source and that is geographically located in an impacted community if: “(A) The geographic area within which the air contamination source is located is also a nonattainment area and the air contamination source substantially contributes to or causes the nonattainment of air quality standards.” This allows the Director to preclude covered entities from continuing to pollute in disadvantaged communities while neutralizing that pollution through offsets elsewhere - thus protecting those communities from ongoing pollution.

We also recognize that offsets can effectively augment investment funds by providing additional financial incentives to encourage projects that stimulate carbon capture and sequestration in our forests or through regenerative agriculture. This bill offers tremendous benefits to rural Oregon.

While HB2020 does not include full life cycle assessment of emissions, we acknowledge that upstream fugitive emissions of methane from natural gas pipeline compression stations within the state of Oregon will be covered if their emissions exceed the threshold value of 25,000 tons of CO₂e.

HB2020 incorporates a concerted effort to address all greenhouse gases assessed in terms of their carbon dioxide equivalent. Unfortunately, the language of the initial draft and the omnibus amendment both fluctuate between appropriate reference to ‘greenhouse gas(es)’ and inappropriate reference to ‘carbon’ or ‘decarbonization.’ If, as we would like, the Oregon bill is to stand as a role model bill for legislation that might be developed in other jurisdictions, we would prefer this inconsistency were rectified. This is because one of the weaknesses of many efforts to address greenhouse gas emissions both in the United States and elsewhere, is that they incorporate an unfortunate focus on carbon or carbon dioxide emissions resulting from combustion of fossil fuel - and thus undervalue other carbon-containing GHGs or ignore non carbon dioxide GHGs, which are universally more potent on a pound-for-pound basis than carbon dioxide.

Despite its few shortcomings, we are therefore convinced that if enacted as it stands, HB2020 would immediately provide one of the strongest climate action programs, if not *the* strongest, nationally and internationally. For this reason, to repeat, Southern Oregon Climate Action Now enthusiastically support for HB2020.