



April 12, 2017

Senator Michael Dembrow, Chair  
Senate Committee on Environment and Natural Resources  
Oregon State Capitol  
Salem, OR 97301

**Re: Senate Bill 1007**

Chair Beyer and Members of the Committee,

We support Senate Bill 1007's intent to establish a "climate test" during the siting and permitting processes for proposed large-scale fossil fuel infrastructure projects in Oregon. The state's agencies should incorporate climate and economic considerations (based on best available science) into the decision-making process for fossil fuel infrastructure projects.

The economic feasibility of mega-projects that rely on providing carbon-heavy power or exporting fossil fuels to international markets for decades in order to pencil out should be analyzed in light of the global economic transition away from high-carbon fossil fuels to cleaner, renewable energy sources. In addition to the carbon pricing programs under consideration in Oregon, ten U.S. states and 39 countries, including China, have a system to price carbon pollution planned or in place, covering about 50% of the world's emissions. This fact, coupled with the Paris Climate Accords target of keeping global temperatures well under 2°C, send clear market signals that should be embedded into the analysis for economic viability to avoid investment in soon-to-be stranded assets.

To fully transition from fossil fuels to a clean energy economy, our decision-making bodies should also account for the true costs of climate pollution. Measurement of costs of greenhouse gas emissions should be considered as part of any environmental impact review process and the CO<sub>2</sub> standard for siting projects. For example, climate pollution is projected to create \$1.1 billion in health-related costs to Oregonians by 2040.<sup>1</sup> Vanishing snowpack and reduced streamflow due to global warming are already impacting the \$13 billion outdoor recreation industry that directly employing 141,000 people in Oregon.<sup>2</sup> Our beef ranchers could lose up to \$11 million per year by 2040 due to drought.<sup>3</sup> Accounting for these currently

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<sup>1</sup> Environmental Entrepreneurs, "Oregon: Changing Climate, Economic Impacts, & Policies for Our Future," June

<sup>2</sup> See id.

<sup>3</sup> See id.

externalized costs of pollution to our economy, natural resources and health would solve this market failure and let non-fossil based energy compete on a fair and even playing field. This would drive additional investment to our clean energy transition and enhance existing clean energy initiatives.

Oregon must do more to combat rising climate pollution in our state. We should continue our global leadership role in climate policy, supporting a stable and safe future for us all.

Thank you for your consideration of these comments.

Sincerely,



Meredith Connolly  
Oregon Policy Manager

**About Climate Solutions:** Climate Solutions is a regional non-profit accelerating clean energy solutions to the climate crisis. For almost 20 years, Climate Solutions has been working to implement energy efficiency, renewable energy, and carbon reduction policies that demonstrate that clean energy and broadly shared economic prosperity go hand-in-hand.

[ClimateSolutions.org](https://ClimateSolutions.org)

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