



April 18, 2019

Dear Governor Brown, Speaker Kotek, Senator Dembrow, and Representative Power:

We, leaders of environmental justice groups in Oregon and throughout the U.S., call on you to be a true climate leader by supporting a fair, equitable and just transition and to oppose false solutions that fail to make meaningful impacts and cause further harm. HB 2020, the Oregon Climate Action Program, is one such false solution and we urge you to stop advancing it. It relies on carbon market schemes that commodify emissions and favor polluters at the expense of communities. Instead, the urgency and scope of the climate problem require a cap on emissions, a phase out of existing fossil fuel infrastructure, and an immediate halt on new fossil fuel projects in favor of 100% renewable energy. This must be supplemented by policies that uphold indigenous rights, prioritize support for communities who have historically been harmed by the dirty energy economy, and support workers in the energy sector and related industries.

Carbon Pricing is Not Working

Over 40 governments worldwide¹ have enacted carbon pricing policies, yet emissions in those places continue to increase², especially localized pollution that poses direct threats to frontline communities. We cannot waste any more time on policies that have been shown not to work. Instead we must act quickly to reduce and eliminate greenhouse gas emissions from fossil fuels if we want to prevent the planet from

¹ Plumer, Brad, and Nadja Popovich. 2019. "These Countries Have Prices on Carbon. Are They Working?" *The New York Times*, April 2, 2019, sec. Climate. <https://www.nytimes.com/interactive/2019/04/02/climate/pricing-carbon-emissions.html>.

² Ball, Jeffrey. 2018. "Why Carbon Pricing Isn't Working." *Foreign Affairs*, December 7, 2018. <https://www.foreignaffairs.com/articles/world/2018-06-14/why-carbon-pricing-isnt-working>.

warming much beyond 1.5°C.³ Exceeding this benchmark by as little as .5°C will significantly increase the scale of human suffering, loss in biodiversity and extinctions. It also risks triggering climate tipping points, which will cause irreversible and unpredictable changes to our planet's climate.⁴

Carbon Trading Harms Our Communities and Creates Sacrifice Zones

Establishing a pollution trading program for carbon means relying on markets to allocate pollution, rather than direct regulation that addresses public health and environmental protection. In a market-based system, polluters can simply purchase credits -- or receive free allowances -- to emit pollution rather than adhering to a hard cap with strong penalties for lack of compliance. The result is a failure to reduce localized pollution causing significant health impacts and creating sacrifice zones.⁵ The California cap and trade program has resulted in pollution hotspots in environmental justice communities, increasing health problems in low-income communities and communities of color that are already overburdened with pollution.⁶ Oregon joining that market will exacerbate the pollution burden on frontline communities. In particular, transportation fuel suppliers and refineries, both sectors that have significant impacts on frontline communities, both increased in emissions under California's cap and trade system.⁷

Carbon Trading is Pay to Pollute, not Polluter Pays

Under the Clean Air Act and Clean Water Act, nobody has an inherent right to pollute our air and water. If passed, HB 2020 will undermine this basic premise by assigning value to pollution. A just and equitable transition is a complete system change, one based around local rather than global economies and is led by the communities who have been most impacted by climate change. In the development of HB 2020, industry has had a significant hand in shaping the program, but environmental justice communities have only been given belated opportunities to give feedback and have had to fight hard to ensure that a small portion of program funds are directed to impacted communities.

Carbon Trading = Fossil Fuels

We will not transition off fossil fuels with the passage of HB 2020. Instead, because the bill does not explicitly define "sequestration" it opens the door for the use of carbon capture and sequestration (CCS) technology, as a scheme to capture CO₂ emissions at power plants.⁸ CCS is energy intensive, increasing CO₂ generation and other harmful emissions from fossil fuels.⁹ Furthermore, CCS would require pipeline infrastructure to transport CO₂¹⁰ gas to centralized locations for storage or use.¹¹ The risks posed by the potential use of CCS technology represent one of the many loopholes in HB 2020.

Carbon Trading is an Unjust Revenue Source

³ Allen, Myles, R. Et al. International Panel on Climate Change. Global Warming of 1.5°C. 2018. At 11.

⁴ Cail, Yongyang. Et al. Risk of multiple interacting tipping points should encourage rapid CO₂ emission reduction. Nature Climate Change. Volume 6. March 21, 2016. At 520.

⁵ Solomon, Barry D. Emission trading systems and environmental justice. Environment: Science and Policy for Sustainable Development, March 30, 2010. At 43.

⁶ Cushing, Lara J. A preliminary environmental equity assessment of California's cap-and-trade program. School of Public Health, University of California Berkeley, Research Brief. September 2016.

https://dornsife.usc.edu/assets/sites/242/docs/Climate_Equity_Brief_CA_Cap_and_Trade_Sept2016_FINAL2.pdf

⁷ Cullenward, Danny, Mason Inman, & Michael Mastrandrea. California's climate emissions are falling, but cap-and-trade is not the cause. Near Zero. November 2017. <http://wp.nearzero.org/wp-content/uploads/2017/11/Near-Zero-2016-MRR-Research-Note.pdf>

⁸ Herzog, Howard J. What future for carbon capture and sequestration. American Chemical Society. Environment Science and Technology. April 1, 2001. At 150A. <https://pubs.acs.org/doi/pdf/10.1021/es012307j>

⁹ The Global Network for Carbon Solutions, Columbia Climate Center. Carbon Capture and Storage. At 1 <http://climate.columbia.edu/files/2012/04/GNCS-CCS-Factsheet.pdf>

¹⁰ <https://www.jwnenergy.com/article/2019/4/worlds-largest-co2-pipeline-under-construction-alberta/>

¹¹ Nelson, Bennet. JWN Energy. World's Largest CO₂ Pipeline Under Construction. April 10, 2019. <https://www.jwnenergy.com/article/2019/4/worlds-largest-co2-pipeline-under-construction-alberta/>

A just and equitable transition will require investment and resources for the communities most impacted by climate change. Because revenue generated by HB 2020 comes from the sale of pollution credits, communities will suffer the health impacts of pollution in order to fund clean, renewable investments. Pollution traders are essentially asking communities to trade clean air for resources. To make matters worse, states that have enacted cap and trade programs have a record of diverting revenue to the general fund, away from clean energy programs. [1213](#)

There are Better Alternatives

Communities have the solution. 100% renewable portfolio standards or renewable energy mandates, investments in public transit, equitable transportation electrification, and direct regulation are proven and effective ways of reducing greenhouse gas emissions. The Portland Clean Energy Fund is one example of a just and equitable funding source that is raising revenue without trading pollution. Under this program, billion-dollar retail companies direct 1% of their revenues to fund clean energy programs in low-income communities that will reduce emissions and save money for ratepayers.

We are eager to work with you to create the just energy transition plan that Oregon needs and deserves. Carbon trading plans like HB 2020 are inherently flawed, unjust and continue the toxic legacy of fossil fuels. Oregon and the world need you to show real climate leadership that will ensure a fair, just, and equitable transition to 100% clean renewable energy.

Sincerely,

Asian Pacific Environmental Network
Center for Community Action and Environmental Justice
Center for Sustainable Economy
Climate Justice Alliance
Communities for a Better Environment
Community to Community Development
Connecticut Coalition for Environmental Justice
Energy Justice Network
Food and Water Watch
Indigenous Environmental Network
Global Justice Ecology Project
Got Green
Grassroots Global Justice
The Harambee House / Citizens for Environmental Justice
Institute for Policy Studies
Just Community Energy Transition Fellowship (Movement Strategy Innovation Center)
Movement Generation
NYC Environmental Justice Alliance
OPAL Environmental Justice Oregon
Unite Oregon
WE ACT for Environmental Justice

¹² Wentz, Jessica. Columbia Law School, Sabine Center for Climate Change Law, Climate Law Blog. Another RGGI Raid? New York State Senate Proposes Pulling \$138 million from RGGI Fund. March 25, 2016. <http://blogs.law.columbia.edu/climatechange/2016/03/25/another-rggi-raid-new-york-state-senate-proposes-pulling-138-million-from-the-rggi-fund/>

¹³ Hulick, Ann. Clean Water Action. Stop the Raids. December 10, 2018. <https://www.cleanwateraction.org/2018/12/10/stop-raids>