

Senator Dembrow Senate District 23 (503) 986-1723

July 12, 2017

To Members of the California Assembly and Senate,

As the chairs of Oregon's House Energy and Environment Committee and Senate Environment and Natural Resources Committee, we are committed to championing strong climate action for our state and region. We write in support of your determined efforts to extend California's cap and trade program under AB 32. Oregon is positioned to be the next state to adopt a similar carbon pricing program that is designed to join the regional trading system, but we need the certainty that California remains committed to its pioneering program beyond 2020.

At a time when our states cannot count on the federal government to make progress tackling the urgent threat of climate change, the West Coast's innovative spirit and collective leadership are more needed than ever. California's successful decoupling of emission reductions from economic growth under AB 32, while becoming a worldwide leader in clean tech, has demonstrated what is possible as Oregon charts its course on climate policy. As the anchor of North America's regional carbon trading system, California's leadership to date means smaller states such as ours can more readily and cost-effectively adopt similar systems and link together. This regional approach can extend a carbon price across most of the West Coast, serving as an inspiring model for other states to replicate and similarly benefit from.

We are chief sponsors of Oregon's leading bill to cap and price greenhouse gases and invest in clean energy solutions throughout our state. Our two committees jointly held a series of work groups throughout the 2017 legislative session about what carbon pricing could look like in our state, and we believe an approach that links with California's cap and trade system and other jurisdictions would provide the most benefits for Oregon. This flexible, market-based approach would enable our state to bring about low-cost emissions reductions while driving down overall energy prices and investing millions of dollars back into our communities and economy.

Before the end of our 2017 legislative session, we issued a priority bill to create a cap, trade and invest program in Oregon (Senate Bill 1070) that explicitly calls for linking to the regional carbon marketplace in North America. The bill garnered 33 legislative co-sponsors in short order, colleagues representing more than one-third of our legislature: we are gaining momentum. We are poised to start the 2018 short legislative session with a strong cap, trade and invest bill that demonstrates collective support among legislators and a broad base of support from around the state.

If you are not able to secure an extension of California's cap and trade program before your 2017 session wraps up, it could seriously hamper our 2018 efforts. We fear a delay will erode confidence here in the likelihood of a strong regional marketplace to join and could squander much of the momentum we have been building in Oregon. The certainty of a long-term extension of your state's pioneering program will be instrumental to Oregon's efforts to put a price on – and reduce – climate pollution, while reinvigorating our local communities through clean energy investments.

Sincerely,

Oregon Senator Michael Dembrow

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Oregon Representative Ken Helm

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