CEJ enforces existing climate goals and sets interim targets:

- **2025**: 20% GhG reduction below 1990 levels
- **2035**: 45% GhG reduction below 1990 levels
- **2050**: 80% GhG reduction below 1990 levels

Data based on Oregon Global Warming Commission projections.
CLEAN ENERGY JOBS BILL OVERVIEW

CAP
• Largest emitters must hold permits for annual climate pollution (~85% of state GhG emissions)
• Cap declines gradually through 2050 (80% below 1990 levels)
• Starts in 2021

PRICE
• Establish marketplace with allowances (permits). Total # of allowances = # of capped emissions in year 1, decreases each year
• Link with Western Climate Initiative Inc. (WCI) for joint auctions
• Consistent, increasing price per ton of GhG throughout the region

INVEST
• Auction proceeds reinvested annually in transition to clean energy, climate resilience/adaptation, economic development, consumer protection
• Prioritizes rural and urban impacted communities across Oregon
LARGEST EMITTERS COVERED

85% of Oregon’s emissions covered (~100 entities)
  • Threshold: 25,000 MT CO$_{2e}$ for stationary sources = 133 rail cars of coal burned

Not covered:
  • farms, forests, small emitters
  • marine & aviation fuels

1 allowance = 1 metric ton of GHG
FLEXIBILITY FOR BUSINESSES

Allowances are assets that can be traded or sold within Oregon and linked markets.

Special accommodation for emissions-intensive, trade-exposed (EITE) industries.

Offsets create additional flexibility and lower compliance costs.

Banked credits, 3-year compliance windows.
Offsets

- Offsets are projects that reduce greenhouse gas emissions outside of the “capped” sectors. A limited number of offsets can be used for compliance.

- Offset projects must be additional: they would not happen if not for carbon funding. They must meet a set of standards, including that they are verified and regularly monitored.

- Offset projects can fund:
  - More enhanced forestry management.
  - Dairy digestors
  - Precision ag practices; build soil carbon.
REINVESTMENT OF PROCEEDS
• Resiliency upgrades for critical infrastructure.
• Job training for workers to thrive in the new, clean economy.
• More affordable and community-based renewable energy like wind, solar, and geothermal in rural Oregon.
• Building resiliency in forest health and other working lands.
• Energy efficiency upgrades and weatherization for homes, buildings, and businesses.
• More transportation options for people all over the state.

AUCTION PROCEEDS CAN FUND CLEAN ENERGY PROJECTS ACROSS OREGON
INVESTMENT FUND OVERVIEW

- **Climate Investment Fund (DAS):** GHG reductions and economic co-benefits for impacted communities, natural and working lands, tribes, and statewide projects
- **Just Transition Fund (HECC):** worker training
- **Transportation Decarbonization Fund (ODOT):** GHG reductions and resiliency
- **Utilities (PUC):** rebates, low-income weatherization, other decarbonization programs
RURAL OPPORTUNITIES AND BENEFITS

• Rural Participation and Oversight:
  • Representation on the Program Advisory Committee (forestry, agriculture and fisheries)

• Dedicated Investments in Rural Communities:
  • Proceed allocation for Impacted Communities ensures rural communities receive program investments
  • Natural & working lands investment
  • Up to 8% compliance met w/ forest, ag offsets

• Safeguards:
  • Forest & farm operations not covered by regulation, but eligible for program investments
Thank You
and
Discussion