

Oregon Global Warming Commission
Pringle Community Hall, Pringle Park
606 Church St SE
Salem, Oregon 97301
January 22nd, 2009
1 PM – 4:00 PM

NOTE: An audio recording of this meeting is available on the web site and is the official record of this meeting.

Commission Members Present at Meeting:

Angus Duncan, Chair; Jim Rue, Matt Donegan, Andrea Durbin, Russ Hoeflich, Gregg Kantor, Eric Lemelson, Peggy Fowler, Dr. Mark Abbott, Mike Grainey, Peggy Fowler, Eric Lemelson, Senator Alan Bates, Russ Hoeflich, Gregg Kantor, Dr. Mel Kohn, Matt Garrett, Dick Pedersen, Bill Bradbury

Via conference call: Bishop David Brauer-Rieke on listen-only line

Other Attendees

Bill Drumbheller, David Van't Hof (via conference call), Linda Ross, Kathy Shinn, Andy Ginin, Jean Fike, Rodney Stewart, Erin Bennett, Andrew Yost, Sara O'Brien, Martin Doein, Diane Robertson, Wendy Simons, Jerry King, Gail Hammer, Sam Soder, Shanna Brownstein, Kate McCutchen, Phil Carver, Bill Turban, Mark Brady, Brian Doherty, Frank Holmes, Mel Kohn, Mike Riley, Lind Cannon, Dr. Gordon Fulks, Greg Sieglity, Holy Michael, Jim Karlock, Erin Fair, Ruben Ochoa

Process Items:

Item #1 – [0:07:30 on audio file, at 1:03 PM] Approved minutes of previous meeting.

Item #2 – Discussion of status of commission members whose terms expired January 1.

Item #3 – [0:13:00] Formation of an Economics Advisory/Sounding Board

Discussed the search process and requested input on selected members and the structure and goals of the committee. Chair Duncan appointed Matt, Jim, and Mark to develop the idea and bring a recommendation back to the next meeting.

Action Item: Resolution from EUSS Committee in regards to the Western Climate Initiative

[0:22:00] Gregg Kantor presented on the resolution and spoke to the Committee's process.

Chair Duncan noted that the EUSS Committee had not unanimously agreed to send the resolution to the Commission, but that there had been strong support of doing so. He also noted that raising the questions and attempting answers was better than not raising them at all. He recommended adding language that expressed support for a national program. He also noted that detailed within the resolution can fall into two general categories: 1) will the created system be transparent and fair to participants?, and 2) how can the system be crafted so that low-income Oregonians don't disproportionately bear the cost, or that Oregon doesn't bear disproportionate cost versus other states? Additionally, there will be a great deal of legal questions regarding WCI actions, particularly if it involves trading across international lines.

[0:49:00] Annette Price from Port of Portland raised concerns that Bill Wyatt had shared via memo, which was distributed and is available on the GWC website. Issues related to 1) import regulation, 2) transportation sites the role of industry in developing regulations, and 3) the level of analysis. 1) Trade regulation would require analysis on exports as well as imports, and may adversely affect Oregon's industries engaged in trade. 2) Provide clarification on transportation and electric vehicles: cars only, or the ports as well? 3) Provide clarity on the detailed economic analysis so that all complementary measures are considered. Chair Duncan responded that the study would assess the impact of both cap-and-trade and complementary measures.

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[0:56:47] Peggy Fowler from PGE raised concerns that the language in the resolution presented undue confusion for the legislature, and that Oregon should wait for federal policy while pursuing efforts to reduce emissions other than cap-and-trade. Other state-level actions can be taken but a cap-and-trade system doesn't make sense at the state level. Letter was distributed and is available on the GWC website

[0:59:00] Russ Hoeflich asked a question about protocol and emphasized that internal communications should be placed on the record so that the GWC's learning process could contribute to the legislature and relevant state agencies.

[1:01:00] Duncan noted that comments have been incorporated into the draft recommendations.

[1:02:44] Duncan noted that the GWC reports back to both the governor and the legislature directly, not to one through the other. His intent is that all resolutions adopted will be included in the statutorily required report to the legislature. Various members made comments about the possibility of including comments from Commission members into the report to the legislature.

[1:06:00] Matt Donegan noted that his firm has long advocated a federal system, and has been participating in the WCI system explicitly so that a national system could be implemented. Second, added that the commission should remember to look at the opportunities that a cap-and-trade system presents for economic development in Oregon. Third, language on offsets should be strengthened to emphasize their cost-containment benefits. Language was suggested to emphasize that offsets lower compliance costs and that it is generally accepted that the wider the pool of offsets allowed, the lower their price should be (8. Availability and Use of Offsets, page 5 of Draft Resolution). Chair Duncan noted an outstanding question about the upstream emissions of biomass-related offsets.

[1:22:00] Language was added to emphasize that participation in a federal system should be prioritize, be it fair and as ambitious as that of the western states.

Public Comment Period

[1:24:00] Bill Turlay criticized or questioned the science of global warming, the threat of warming temperatures, the efficacy of a regional cap, the costs of policy, and the motives of Commission members.

[1:29:00] Kate McCutheher from the paper industry that raised concerns about competing with producers in non-western states, should the WCI be adopted.

[1:31:56] Tom O'Conner from the Oregon Municipal Electric Utilities Association commenting opposing a state-only solution and SB Bill 80 but supporting the public engagement that the GWC has developed within the EUSS Committee on cap-and-trade issues.

Close Public Comment Period

[1:35:00] Resolution submitted to a vote, carrying with 7 Yes, 1 No, and 3 not present.

Voted Yes: Angus Duncan, Jim Rue, Matt Donnegan, Andrea Durbin, Russ Hoeflich, Gregg Kantor, Eric Lemelson

Voted No: Peggy Fowler

Not Present in room for voting: Bishop David Brauer-Rieke, Bill Wyatt, Jill Eiland

Informational Items:

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Report on the status of Economic Analysis [1:37:00]

Chair Duncan stated that EcoNorthwest's economic analysis would be delayed so that they could incorporate more data into the final report. It has been reviewed, however, and could be released at the end of February.

Item #1 – [1:42:00] Report from Transportation and Land Use Committee on joint meeting with the Land Conservation and Development Commission.

Jim Rue reported that the Committee met with the Land Development and Commission to discuss GWC's comments to the Big Look Task Force on how adaptation and mitigation measures could be implemented into the land planning. The Committee will now need to create more specific recommendations.

Item #2 – [1:45:00] Update from the Communication/Outreach Committee on outreach activities, strategy development, and OGWC website progress report.

Discussed hiring of person to develop web site.

Item #3 – [1:57:00] Update from Natural Resources Committee.

Discussed 2009 work plan, the Forest subcommittee, scientific research, and definition of biomass.

Item #4 – [2:11:00] Update on the Western Climate Initiative

Bill Drumheller updated on the progress of WCI committees, work plans

Item #7 – [2:16:00] Mark Abbott (via phone) presented on the Oregon Climate Change Research Institute and introduced Phil Mote as the inaugural director, to begin full-time in the summer. Phil Mote discussed his new role as OCCRI director.

Item #5 – [2:30:00] Update on new climate change-related stakeholder advisory bodies

Duncan mentioned the creation of the Governor's Energy Policy Council, Mike Grainey discussed efforts by state agencies to reduce carbon footprint

Item #6 – [2:38:00] Report on Governor's climate change agenda

Mike Grainey reported that recommendations that require legislative action have been rolled into the governor's recommended policy actions. Three specific bills include SB 80 (cap and trade), SB 101 (performance standard for new power plants), and HB 2186 to implement climate change reduction measures.

Dick Pedersen reported on the cap and trade bill, rulemaking requirement for DEQ, stakeholder process, and emission reporting requirements. Also discussed HB 2186, which discusses fuel efficiency standards.

Mike Garrett reported on least-cost planning and criteria used to determine the transition to a low-carbon transportation system.

[2:46:00] Assorted procedural discussions

Public comment:

[2:50:00] Gordon Fulks asked for the resignation of Sam Adams and argued there is not clear evidence of anthropomorphic climate change, and that policy efforts lack integrity.

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[2:54:00] Jim Karlock argued that prominent climate scientists and policy advocates face a conflict of interest on the climate change issue, including the chair of the Commission.

Meeting adjourned.