

Greenhouse Gas Emissions Reduction Program

Town Halls Meeting Summary

Oct. 1, 2020, 5 p.m. to 8 p.m.

Oct. 8, 2020, 5 p.m. to 8 p.m.

Oct. 14, 2020, 1 p.m. to 4 pm

Zoom Webinar

I. Meeting in brief

The Oregon Department of Environmental Quality (DEQ) hosted a series of three town hall meetings in October 2020 as part of the public engagement process for a new program to reduce greenhouse gas emissions in Oregon to help address the worsening effects of climate change. The meetings served to provide an opportunity to discuss:

- The purpose of a GHG emissions reduction program
- How this program will compliment other state initiatives to combat climate change
- Key policy questions under consideration for a greenhouse gas emissions reduction program
- What to expect during the formal rulemaking process

The meetings were held on October 1, October 8, and October 14 and offered during both daytime and evening hours in order to offer convenient opportunities for public participation. Town halls included a presentation from DEQ staff and opportunities for participants to provide verbal and written comment. DEQ's presentation covered the same topics and content at all three meetings. Agenda topics included:

- Overview of greenhouse gas emissions program development
- Public engagement opportunities
- Key policy and program considerations
- Introduction to rulemaking
- Public comment
- Next steps
- Adjourn meeting

All meeting materials, meeting recordings, and the presentation are posted on DEQ's website: <https://www.oregon.gov/deq/ghgp/Pages/programscoping.aspx>. Meeting materials were provided in English and Spanish. The following is a summary of the presentation and comments received during all three town halls.

II. Introduction

Sylvia Ciborowski, Kearns & West, opened the meeting by welcoming participants and reviewing webinar logistics. Sylvia introduced Colin McConnaha, DEQ, to introduce the DEQ



State of Oregon
Department of
Environmental
Quality

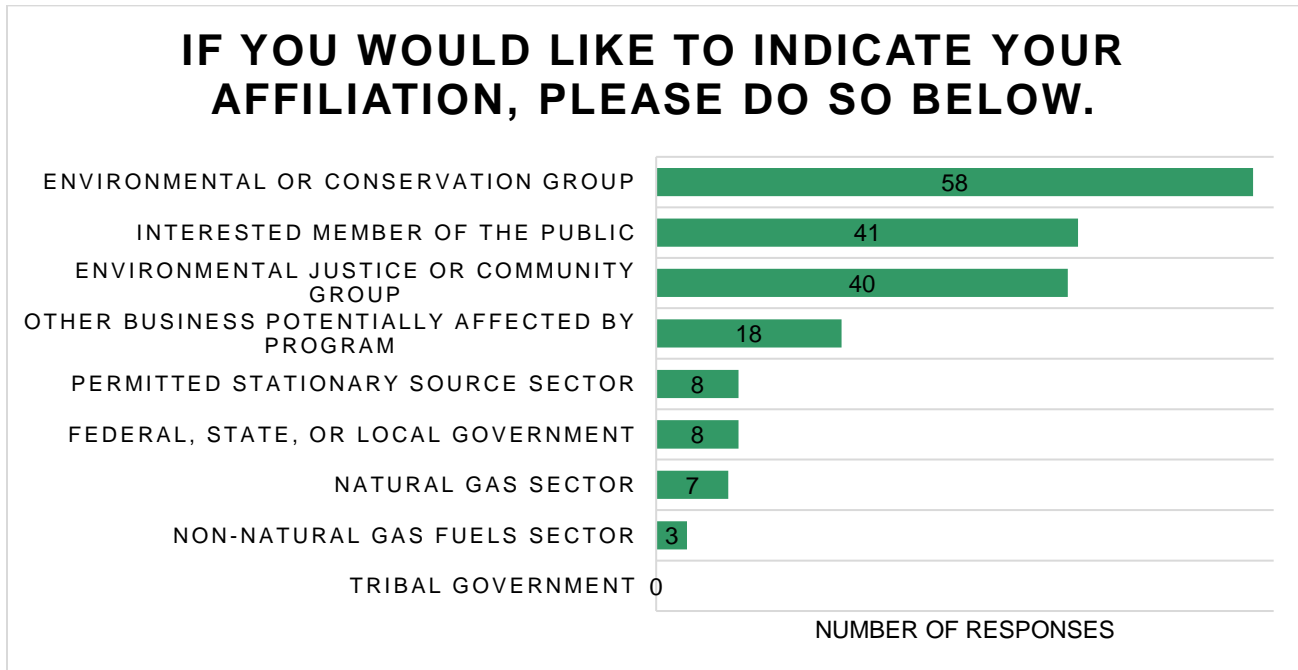
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*DEQ is a leader in
restoring, maintaining, and
enhancing the quality of
Oregon's air, land, and
water.*

staff leading the development of the program. Colin thanked attendees for their participation and shared that the purpose of the town halls was to hear public input to inform how DEQ will approach development of a program to reduce greenhouse gas emissions. Next, Sylvia invited participants to share their affiliation by completing a poll and said a series of optional polls would be offered throughout the meeting as a way to gather additional information and perspectives from attendees. At all the town halls, she noted that she was pleased to see a diversity of attendees affiliated with various groups and interests in attendance. Combined poll results for all three town halls are as follows:



IV. Overview of greenhouse gas emissions program development

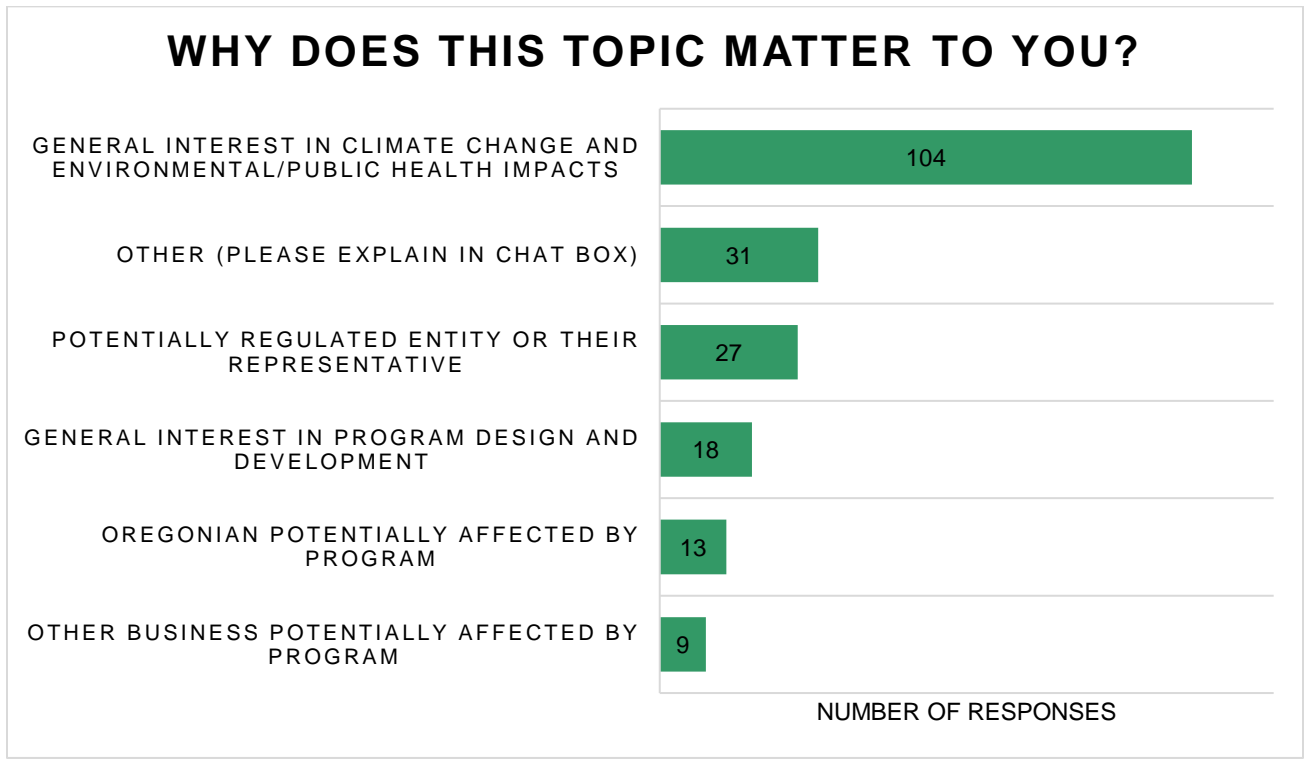
Nicole Singh, DEQ, provided an overview of the program development. Nicole said DEQ’s new program is aimed at reducing GHG emissions to address the effects of climate change. She noted that Oregon is already experiencing these effects and is falling far behind the GHG reduction goals the Oregon Legislature adopted in 2007, and even further behind recent science-based targets. Nicole explained that this new program aims to cap and reduce emissions from three areas: large stationary sources, transportation fuels, including gasoline and diesel, and all other liquid and gaseous fuels including natural gas.

Nicole reviewed current state initiatives to reduce GHG emissions. She explained that these initiatives are further supported by Executive Order (EO) 20-04, signed by Governor Kate Brown, which directs state agencies to take actions to reduce GHG emissions and consider climate change in agency planning within existing authorities.

The goal is to initiate the program at the start of 2022. To achieve that goal, DEQ is conducting a three-phase approach through 2021 to engage with the public and gather feedback. The final phase is formal rulemaking, which will include the rulemaking advisory committee (RAC) process. The

committee informs the drafting of the rulemaking and represents a diversity of interests with representation from environmental justice and impacted communities. DEQ aims to prioritize meaningful engagement and has held a series of public comment opportunities, including online listening sessions and technical workshops, beginning in May through September 2020. Nicole also stated that DEQ is focusing on equity considerations in the program development and wants to learn from environmental justice and impacted communities to identify needs and alleviate burdens.

Sylvia invited participants to share why this topic mattered to them by completing a poll. Poll results are provided below.



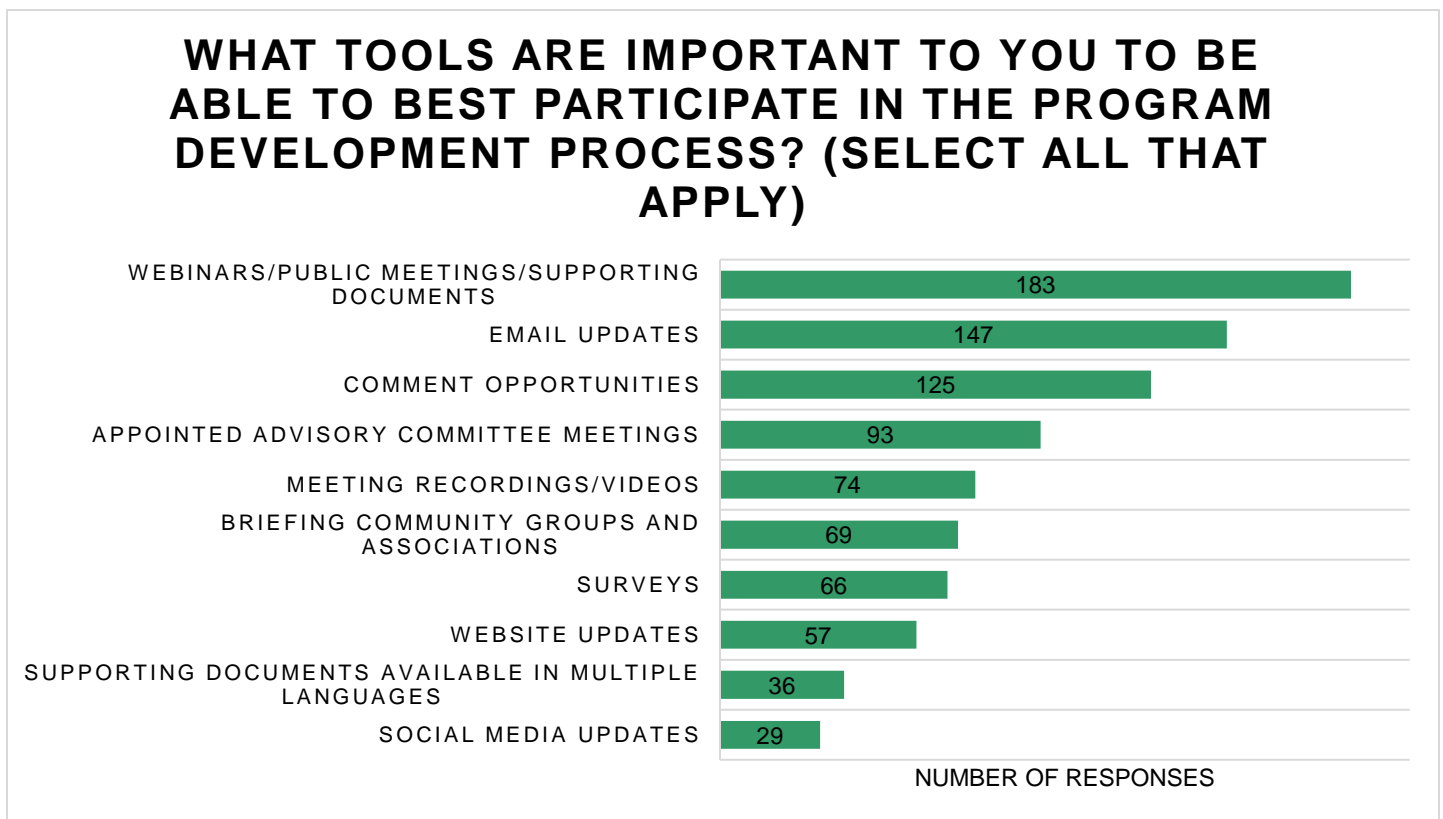
Meeting attendees also shared the following key themes of comments about why this topic matters to them:

- Climate change is a threat and Oregon is behind in taking action
- Interest in environmental and racial justice issues
- Oregon should lead in GHG emissions reduction while supporting impacted communities, reducing pollution hot spots, and helping industry to innovate new cleaner methods
- Concern about impacts of climate change on future generations
- Interest in conservation programs and initiatives
- Concern about industry contributing their share to address GHG emissions
- Interest in DEQ considering emissions from concentrated animal feeding operations
- Significance of climate change impacts on public health
- Support for a target of zero emissions target by 2050

- Directly impacted by vehicle pollution and interested in addressing it through education and/or enforcement
- Concerned about transition to clean energy for marginalized communities
- Interest in partnering with related efforts at local government levels

V. Public engagement opportunities

Sylvia then reviewed public engagement opportunities offered through the scoping phase of program development. Engagement opportunities include online town halls, providing comments through email, and signing up for email updates. Based on polling responses, attendees demonstrated strong interest in webinars/public meetings, comment opportunities, email updates and advisory committee meetings. Overall poll results are provided below:



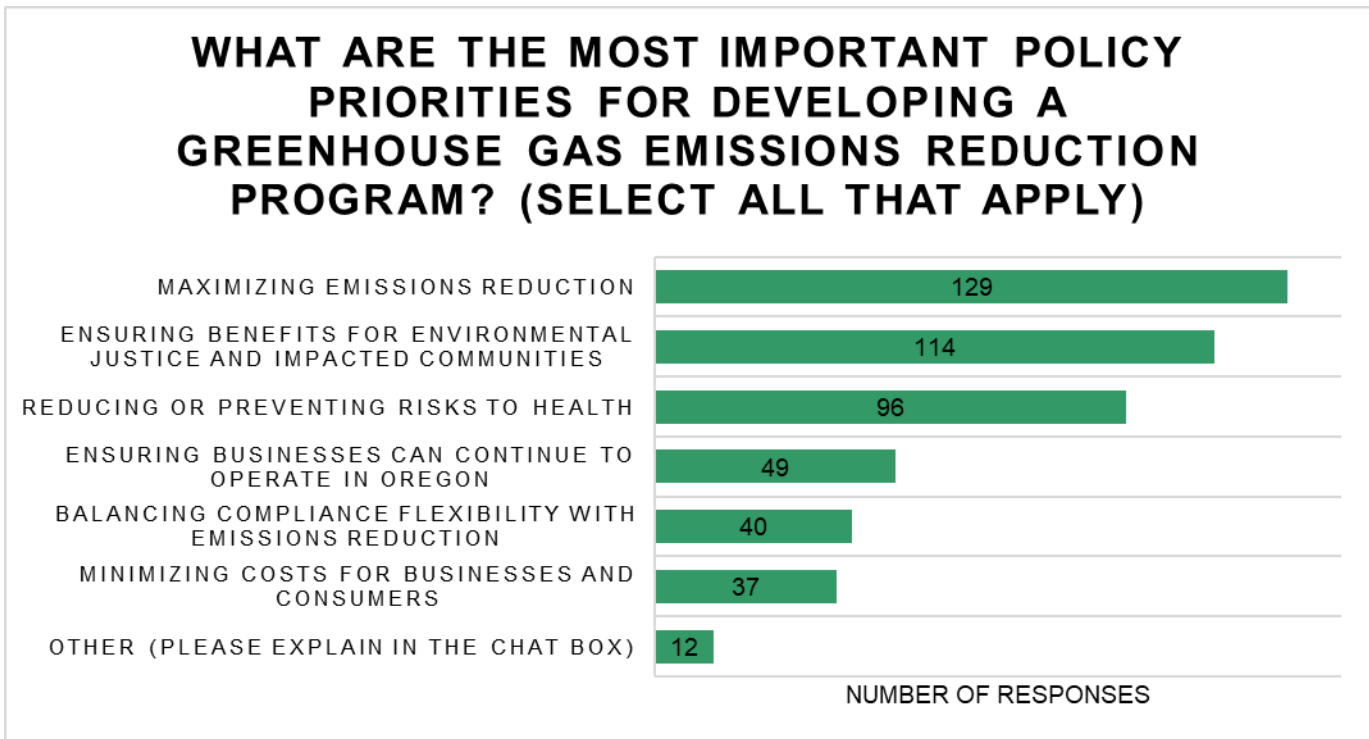
VI. Key policy and program considerations

Nicole Singh, DEQ, shared considerations related to policy and program development. Nicole noted DEQ is looking at several strategies to help design an effective program. That is a program that maximizes GHG emissions reduction and prioritizes the needs of impacted communities while minimizing costs on businesses and consumers.

Nicole then touched on potential policy elements such as emissions caps, emissions permits, and flexibility and cost containment elements. Nicole recommended attendees view materials on the

DEQ website from prior technical workshops to learn more about the technical and policy design considerations.

Attendees weighed in to share their policy priorities by completing a poll:



Meeting attendees also shared the following key themes of comments about their policy priorities:

- Reducing the atmospheric concentration of GHGs through carbon sequestration
- Exceeding the GHG emissions reduction target and reaching net zero as soon as possible
- Businesses that are unable to operate with the new policy may be replaced by more sustainable businesses
- Interest in comparing program costs to the costs of inaction
- Removing barriers such as carbon tax limitations
- Prioritizing action within this decade and reaching net zero by 2050
- Reduction mandates should include assistance for those impacted (e.g., retraining, assistance to low-income, rebates for alternative transportation, etc.)
- Addressing direct impacts of vehicle pollution through education and/or enforcement
- Interest in partnering with related efforts at local government levels
- Support for Intergovernmental Panel on Climate Change emissions targets by 2030 and 2050
- Focusing on adaptability to meet targets
- Promoting the development of green energy as outlined in the Green New Deal

VII. Introduction to rulemaking

Next, Nicole Singh, DEQ, introduced the rulemaking process and noted it includes many opportunities for public comment. DEQ develops rules needed to develop policy goals for EQC consideration. EQC then adopts proposed rules into administrative law by voting. The role of the RAC during this process is to provide advice and recommendations to guide draft rule language, and to help DEQ consider environmental, economic, and public health implications of proposed rules. The RAC is expected to begin meeting in January 2021. RAC meetings are open to the public, with opportunities for public comment.

Nicole announced that applications for the RAC were due by October 19. More information about the RAC and the application process is available on DEQ's website.

VIII. Public comment

Following DEQ's presentation, Sylvia Ciborowski, Kearns & West, reviewed instructions for public comment and invited attendees to share what success would look like for a future program and any general comments.

Meeting attendees provided the following verbal and written comments during all three town halls. High-level themes of comments are listed by topic area:

- Program scope and approach
 - General support expressed in Oregon taking action to cap and reduce GHG emissions in alignment with DEQ's mission
 - Advancing a cap and reduce program could create an opportunity for Oregon to serve as a leader in addressing climate change
 - Interest in learning more about DEQ's targets by sector
 - Many commented in support of establishing an ambitious program
 - Suggest working with community-driven carbon removal development
 - Several requests to include natural gas in a cap and reduce program, strengthen rules for capturing all elements of natural gas infrastructure, and to address lifecycle GHG emissions associated with production
 - Consider how to fiscally reward early cap and reduce efforts
 - Several requests to cover all sources and emissions without exception
 - Prioritize decisions informed by science and the addressing needs of marginalized communities
 - Interest in whether nuclear power has been considered for GHG emissions reduction
 - Request to clarify reduction benchmarks
 - Consider California's program as a best practice
 - Identify creative solutions to tackle GHG emissions reductions
 - Support for regulation of large stationary sources
 - Interest in developing an integrated program that addresses key policy topics
 - Concern about omitting farming and forestry from the program scope
 - Interest in how a stationary source is defined

- Program stringency and implementation timeline
 - Many attendees stated that the rulemaking process must advance as quickly as possible to decrease emissions in the near future and combat climate change
 - Many expressed support for a robust cap and reduce program and science-based targets
 - Request for DEQ to provide straw proposals for sector-by-sector caps
 - Exceed targets and allow no new investments in fossil fuel infrastructure
 - Request for early reductions, rather than a flat reduction rate over time
 - Several supported no delays in program implementation and no exemptions for emitters
 - Request to cut GHG emissions in half by 2030 and strong support for net zero emissions by 2050
 - Interest in a strong cap with strict permit levels per entity (rather than free allowances)
 - Desire to eliminate all fossil fuels within five years

- Farming industry, agriculture, and timber/forestry considerations
 - Promote and reward proactive farming practices that sequester carbon and mitigate GHG emissions
 - Support flexibility for and coordination with farmers
 - Avoid program impacts to timber or agriculture
 - Invitation extended from timber industry for DEQ and attendees to participate in a site visit to learn more about timber/forestry considerations and potential program impacts
 - Commitment to purchasing Oregon-grown timber, even if it becomes incrementally more expensive because of a robust Cap and Reduce framework
 - Suggestion to tax the forestry industry when it manages forests in ways that increase GHG and wildfire severity
 - Support exists among some farmers to develop a cap and reduce program
 - Climate change impacts to farmers and increases challenges of farming
 - Continue to ensure affordable fuel for critical uses, such as farm equipment and transporting crops to market, is available into the future
 - Concern about drought stress on forests

- Rural community considerations
 - Concern that rural communities are seeing the impacts of climate change more quickly than urban areas
 - Consider that discussions around rural Oregon should also focus on farmers and communities of color
 - Listen to farmers and reward rural innovation

- GHG emissions and climate change effects
 - Participants spoke to the impact of climate change on Oregonians, in both rural and urban areas, and especially economic costs and the public health effects of the recent wildfires
 - Climate change is happening faster than expected
 - Many attendees emphasized the urgency of taking action on climate change to benefit future generations and expressed concern for their children's and grandchildren's futures and intergenerational equity
 - Many commented on the need to preserve natural resources within Oregon
 - Account for greenhouse gases absorbed by forestry and farming plants, which pushes the emissions below zero so that Oregon is a net sink for greenhouse gases
 - Consider comprehensive planning for carbon removal and extreme weather preparedness/risk reduction
 - Several expressed interest in ways to reduce natural gas usage, concern about impacts from methane leaks, and desire to fuel switch to heat pumps
 - Concern about carbon emissions of wildfires and reductions needed to offset emissions
 - Several comments asked to focus on methane emissions from concentrated animal feeding operations
 - Concern that wildfires are not being prevented through underbrush clearing and thinning and Oregon firefighting resources were being diverted to California
 - Interest in potential environmental improvements due to reductions in emissions historically over time from diesel and gasoline powered vehicles
 - Concern about extinctions to animal and tree species due to climate change
 - Interest in focusing on major drivers of climate changes, such as population growth
 - General concern about pollution and public health impacts in urban areas

- Policy options and considerations
 - Consider that a direct regulation approach may offer more protections
 - Provide more flexibility options in direct regulation
 - Consider an alternative to taxpayers funding emissions reductions by taking a percentage out of subsidies to go into a fund to reduce emissions
 - Interest in finding ways to incentivize near-term reductions
 - Set limits on trading and banking
 - Concern about DEQ's issue brief that seemed to note that alternative compliance needs to be real and permanent
 - Preference for alternative compliance that achieves sequestration in agricultural lands and forests
 - Support for some flexibility in consideration of reductions that require more time to implement and to minimize effects on impacted communities
 - Consider that market-based approaches could undermine equity and environmental justice efforts

- Contain costs through flexibility
- If trading is allowed, restrict trading out of Oregon and in high pollution areas and require it to occur within specific geographic zones
- Potential program impacts
 - Concern that capping and reducing GHG emissions will shut down industries and drive jobs out of Oregon, increase cost of living, and increase homelessness
 - Mitigate impacts to consumers and farm families, while protecting rural and low-income residents who will bear the cost of the program
 - Concern that Oregonians should not be responsible to fund this program
 - Consider opportunity to prompt job growth in sustainable industries and for Oregon to lead in these new sectors
 - Provide assistance to parties impacted by the regulations
 - Consider impacts of California's cap and trade program on pulp mills
 - Several comments on higher impacts to timber and farming due to increase in transportation costs
 - Focus on communities that have been harmed (e.g. located near transportation corridors) and that will lose revenue (e.g. timber)
 - Consider the cost of inaction and concern about the focus on profit
- Environmental Justice and impacted communities
 - Many attendees expressed support for involving marginalized communities, indigenous people, tribes, and people of color in the rulemaking process
 - Many noted the adverse impacts of climate change on communities of color, rural, and low-income communities
 - Suggestion to involve impacted communities in reductions and demonstrate benefits to these communities
 - If offsets are included in the program, they should be directed to neighborhoods immediately surrounding stationary sources to reduce local emissions
 - Consider how to incentivize investments in rural communities of color and include farmworkers in equitable approaches
 - Concern about life expectancy, health, and equity for farm workers
 - Interest in how impacts to marginalized communities are measured
 - Consider intersection between environmental impacts and racism
 - Concern about sourcing of cobalt for batteries for electric vehicles due to child labor in the Democratic Republic of the Congo
 - Consider ways to address barriers to low income communities in accessing clean air and switching to electric vehicles
- RAC and public engagement
 - Many shared preferences about community perspectives and interests that should be included as part of the RAC including:
 - Farming/agricultural interests

- Foresters
 - Impacted communities
 - Scientists
 - Environmental justice communities
 - Rural communities
 - Indigenous people and tribes
 - Communities of color
 - DEQ should prioritize meaningful engagement during rulemaking
 - Many also requested overrepresentation of marginalized voices, impacted communities, people of color, tribes, and environmental groups on the RAC
 - Concern expressed about influence of special interests on process
 - Prioritize engagement with rural and agricultural communities
 - Appreciation for open and transparent scoping process and opportunities offered to provide comment
 - Interest in holding future town halls during both day and evening hours
- Coordination with other agencies and efforts
 - Interest in how DEQ is coordinating with the Department of Land Conservation and Development (DLCD)
 - Support for addressing climate change on a multi-agency basis across local, state, and federal government agencies
 - Suggestion that each state agency set a CO2 reduction target
 - Consider joining the Western Climate Initiative
 - Create more synergy between DEQ and the Oregon Department of Transportation (ODOT)
 - Interest in how DEQ is coordinating with the State zoning plans and how citizens and those entities can work to rebuild affordable, energy efficient housing
 - Coordination with industry
 - Request that DEQ work with industry to develop a plan to solve the problem of GHG emissions
 - Concern about participant comments about the ability of industry to make changes due to the realities and constraints of industry operations
 - Request that DEQ meet with each industry in the state
 - Past legislative efforts on cap and trade legislation
 - Opposition to former proposed legislation for cap and trade
 - Perspective that legislative targets were too low
 - Concern about past failure and barriers to passing legislation to reduce GHG emissions
 - Additional suggestions and considerations
 - Create a state investment bank to finance transition to a clean energy future

- Replace internal combustion engines with zero emission technology to address transportation emissions
- Establish charging stations along I-5 to shift heavy trucks to electric vehicles
- Concern that carbon credits from Oregon are sold to China where pollution still occurs
- Adopt a standard for zero emission vehicles by 2030 and a zero emission target for transportation planning agencies
- ODOT should be required to use a greater portion of funds towards rapid transit, public transit, and support and marketing of electric vehicles and creation of charging stations
- Consider the environmental benefits of walkability in how cities are designed and planned
- Conduct home energy audits
- Support and incentivize local governments to develop climate action plans
- Interest in charging higher fees for license plates, boats, and natural gas
- Support for regenerative agriculture as an important and accessible way to address the climate crisis
- Interest in offering more recycling centers and efforts to limit plastics and polluting materials
- Expand passenger rail
- Support for transition to electric based energy
- Interest in exploring solar and wind energy
- Economic impacts of pandemic could offer an opportunity to rebuild
- Change terminology from cap and reduce to cap and invest
- Request for support from DEQ to assist community-based organizations with more sequestration and limiting of GHG via composting, waste reduction, and overhaul of transit issues
- Interest in a conducting a water catchment and riparian restoration model project
- Create incentives for electric vehicles such as lower registration fees and other benefits for buyers
- Consider options for alternative energy sources and fuels by evaluating best practice examples
- Provide funds to convert from wood burning fuel sources to heat pumps
- Create subsidies for electric bikes for marginalized communities
- Support for creating a clean energy economy

IX. Meeting wrap up and next steps

Colin McConnaha, DEQ, thanked everyone for their time and interest in the program and encouraged attendees to continue to share their thoughts and opinions on how the program should be designed.

Sylvia Ciborowski, Kearns & West, reviewed next steps. She reminded attendees to provide email comments to DEQ by October 21 and they could also sign up for email updates. The DEQ website will include a link to the meeting recording and summary, so that those who were unable to attend any of the town halls have the opportunity to review the presentation and comments. Sylvia then thanked attendees for their participation and comments and adjourned the meeting.

Town hall participation

The table below identifies the approximate number of public attendees for each town hall meeting.

Town Hall Date	Approximate Number of Total Public Participants
October 1, 2020	83
October 8, 2020	108
October 14, 2020	127