



Eugene Water & Electric Board

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Eugene Water and Electric Board Policy Position on Carbon Pricing Adopted April 16, 2013

Policy Position: EWEB believes that the State of Oregon should adopt a direct carbon pricing mechanism that applies across all sectors of the economy. EWEB believes that such a policy should be developed for consideration and adoption in the 2015 Oregon Legislative Session using a combination of academically-based studies with supporting data and an inclusive stakeholder process to develop carbon pricing design choices that are not just sound from an economic and environmental standpoint, but are viewed as fair from a social and political standpoint.

Why: *EWEB believes a data-driven study and inclusive stakeholder process is more likely to result in sound policy than pre-determined or prescriptive policies that are indirect or incomplete in nature.*

Policy Position: Global climate change is a real problem that needs to be addressed through comprehensive policy. Until the issue is addressed at the national and global level, we should start with the state-level approach and work with other nearby states and provinces.

Why: *Greenhouse gas emissions affect the entire planet. While a national policy may make the most sense, the current political situation in Washington, D.C. is unlikely to develop a national solution in the foreseeable future. Therefore, EWEB favors at least a statewide or regional approach. The province of British Columbia and State of California have already adopted carbon pricing policies, and Washington is advancing a carbon pricing study, so Oregon will not be taking this step alone. Since others are moving toward carbon pricing, economic competitiveness issues can be addressed cooperatively in the region.*

Policy Position: Indirect and incomplete approaches used today are not efficient or effective. EWEB favors a more direct and comprehensive approach to pricing greenhouse gas emissions and carbon.

Why: *First, by focusing only on utilities, we are ignoring entire sectors of the economy such as transportation, which generates approximately 40 percent of the greenhouse gas emissions in Oregon. Indirect means, such as renewable portfolio standards and various tax and production credits are creating serious distortions in the marketplace. Renewable energy policies in some states are creating significant economic impacts on electric ratepayers. They have become an indirect "price" that is inefficient, ineffective and unfair in its regressive nature. By pricing carbon directly, Oregon can likely reach its GHG reduction goals on a lower dollar per ton of carbon emissions basis and with less overall impact to the state economy.*

Policy Position: Cap and trade or carbon taxes are two possible greenhouse gas pricing mechanisms. EWEB believes that any approach must apply across all sectors of our economy to be efficient and effective.

Why: *EWEB supports a carbon pricing mechanism, but believes that the actual form (whether a direct tax or a cap and trade approach) merits further study. British Columbia has adopted a direct tax and California has adopted a cap and trade approach. Each approach has pros and cons that need to be considered carefully in Oregon.*

Policy Position: EWEB is willing to be part of a study and stakeholder process and to contribute financial and people resources to such a process.

Why: *Because this is important for EWEB and our customer-owners. EWEB wants to be part of a direct and comprehensive solution that is politically feasible. EWEB believes that doing nothing is not an option. The time has come for stakeholders and decision-makers to come to the table to design a carbon pricing mechanism that works for Oregon.*

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For EWEB's more comprehensive Carbon Pricing Position, visit:

http://www.eweb.org/public/commissioners/meetings/2013/130416/WS2_EWEBProposedPolicyPositiononGreenhouseEmissionPricingRev41113.pdf