

# Get the Facts on Oregon Greenhouse Gas Initiative SB 1530

## Energy costs for Oregon families:

**No harmful effects on electricity costs.** Oregonians should see no change to their electric bill until after 2030. Passage of SB 1530 will result in greater energy efficiency and is likely to help significantly offset any future cost increases.

Oregon's leading energy consumer protection group, Citizens' Utility Board, says that "SB 1530 should not result in any harmful effects on electricity consumers."<sup>1</sup>

**Portland General Electric supports SB 1530** because it "provides for a cost-effective transition to a clean electricity system while keeping the system affordable and reliable."<sup>2</sup>

**No rate increases for Natural Gas for low-income Oregonians.** Low-income Oregonians should not see changes to their natural gas. Other natural gas customers will likely see small rate impacts that would be within normal rate change fluctuations. Any rate increases will be partially offset by credits contained in SB 1530, as well as investments in energy efficiency by suppliers and continued development of renewable natural gas.

**NW Natural supports SB 1530:** "Protecting our low-income customers is essential, and we are pleased to see the legislation as currently constructed will leave no one behind. The policy will protect low income natural gas customers."<sup>3</sup>

## "Fairly Mild Impacts"

According to the *Oregonian*, "low-income households will see no or very limited cost increases. Moderate-income families will see less than a \$100 impact in the program's first year, with approximately 5 percent annual increases thereafter depending on the price of emission allowances. Higher-income households in Portland, between \$150 to \$400 in cost increases initially."<sup>4</sup>

---

<sup>1</sup> Citizens' Utility Board testimony, 2/12/2020

<https://olis.leg.state.or.us/liz/2020R1/Downloads/CommitteeMeetingDocument/216681>

<sup>2</sup> Dave Robertson PGE testimony, 2/4/2020

<https://olis.leg.state.or.us/liz/2020R1/Downloads/CommitteeMeetingDocument/212233>

<sup>3</sup> Kathryn Williams NW Natural testimony, 1/30/2020

<https://olis.leg.state.or.us/liz/2020R1/Downloads/CommitteeMeetingDocument/210750>

<sup>4</sup>The *Oregonian* February 20, 2020. <https://www.oregonlive.com/politics/2020/02/democrats-offer-estimates-on-what-the-cap-and-trade-climate-bill-will-cost-oregon-households.html>

### Fuel costs for Oregon families:

The Oregon Greenhouse Gas Initiative follows a regional phase-in model for transportation emissions in order to prioritize where fuel emissions are the highest and to reflect Oregon's regional infrastructure systems. In 2022, the portion of the Portland Metro area within the urban growth boundary will be included in the phase-in. In 2025, the phase-in will apply to most of western Oregon, and in 2028 the phase-in will include Coos and Curry counties as well as the cities of Bend and Klamath Falls. The rest of Eastern Oregon has no date by which the region would be phased-in to the program.

**Estimates show minimal increase in fuel costs.** Oregon's Department of Environmental Quality estimates that SB 1530 may increase fuel prices in participating jurisdictions by about \$0.20 per gallon during the first year of implementation, with very small increases after that.<sup>5</sup> A companion bill, SB 1578, would provide tax credits to offset fuel costs for lower-income and moderate-income Oregonians. The credits that would be available are higher for rural Oregonians to account for their travel needs and infrastructure limitations. Fuel prices will not be affected in counties which are not participating in the Oregon Greenhouse Gas Initiative.

### Jobs and the Economy

SB 1530 creates a 'Climate Investment Fund' which will allocate funds to improve Oregon's climate resiliency and benefit impacted communities. The investments will go across Oregon to reduce greenhouse gas emissions, mitigate wildfire risks and create jobs through the Just Transition Fund.

Dr. Dallas Burtraw, senior fellow at Resources for the Future and a member of the American Academy of Sciences, provided an [assessment of SB 1530](#):

*"When carbon pricing is implemented in 2022, the anticipated emissions reductions will be achieved without any specific impacts that are noticeable to the vast majority of Oregon households and businesses. There should be virtually zero disruptions in employment, but over time one can expect there will be accelerated opportunities for job creation in clean energy, technology, forest and agriculture activities. Oregon's legislative decision is likely to influence policy outcomes in other states and internationally."*

---

<sup>5</sup> Department of Environmental Quality testimony, 2/19/2020