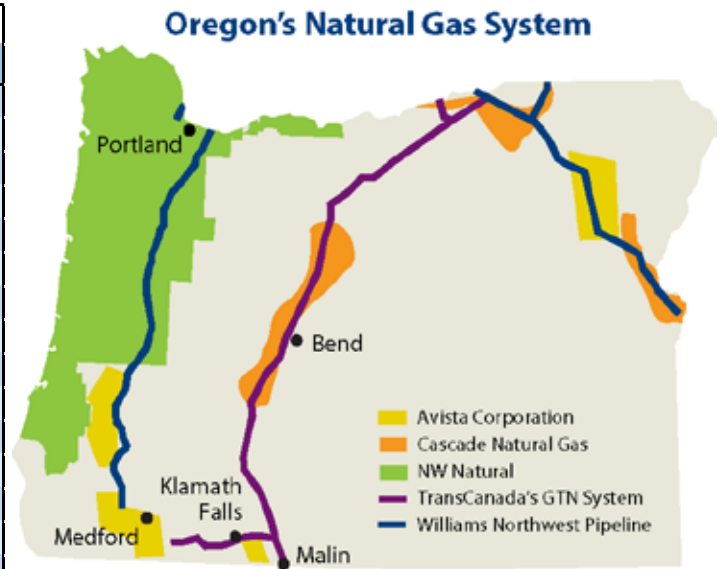


HB 2020 Oregon Cap and Trade Fact Sheet



The proposed HB 2020 legislation would have significant and lasting impacts on natural gas rate payers. Customers from all rate classes would experience rapid and increasing costs for simply heating their homes and businesses. The chart below shows the weighted average rate impact for all residential and commercial customers in Oregon, as well as by each of the three LDCs.

HB 2020 Natural Gas Customer Rate Impacts				
	2021	2025	2030	2035
Statewide Weighted Average				
Residential	12%	16%	25%	40%
Commercial	14%	18%	29%	46%
Avista				
Residential	19%	21%	31%	48%
Commercial	18%	18%	27%	56%
Cascade				
Residential	12%	19%	33%	46%
Commercial	15%	23%	40%	46%
NW Natural				
Residential	11%	15%	23%	38%
Commercial	13%	17%	27%	44%



The current HB 2020 proposal gives free credits to Oregon’s electric utilities in recognition of prior legislatively mandated green initiatives. It treats the more than two million Oregon residents and businesses who rely on natural gas for warmth, comfort and productive energy differently, ignoring the strides that Oregon LDCs and their customers have made in reducing emissions through system maintenance, modernization and efficiency initiatives. Consider:

- Emissions from residential and commercial* use of natural gas make up about 6% of total statewide GHG emissions according to the Oregon Greenhouse Gas Sector-Based Inventory.
- Emissions from residential and commercial use of natural gas have increased only 2 percent since 2000. Oregon has added more than 200,000 new natural gas homes (41% increase) and almost 20,000 new businesses (23% increase) over the same period.
- Each Oregon home heated by natural gas emits 29% less carbon than it did in the year 2000. Each commercial natural gas customer emits 19% less carbon than in 2000.
- We burn more natural gas in Oregon to generate electricity than homes and commercial entities combined use directly to heat space and water.

These achievements are not the result of legislation, but that does not make them any less real, nor reduce the commitment required by families, businesses and LDCs to see them through.

Conclusions

HB 2020 as currently composed is punitive to Oregon’s natural gas customers and unfair. The state is already seeing emissions reductions from the transition to and increasing reliance on natural gas as a cleaner, reliable fuel for generating electricity. The state is also seeing significant emissions-related benefits by virtue of the highly efficient direct use of natural gas for residential and commercial space and water heat. All natural gas utility customers should receive a fair share of allowances to mitigate rate impacts.

**The commercial sector includes businesses (e.g. restaurants, breweries, laundromats, etc.), buildings and institutions (e.g. schools, universities, hospitals, etc.) that use natural gas for space and water heat.*