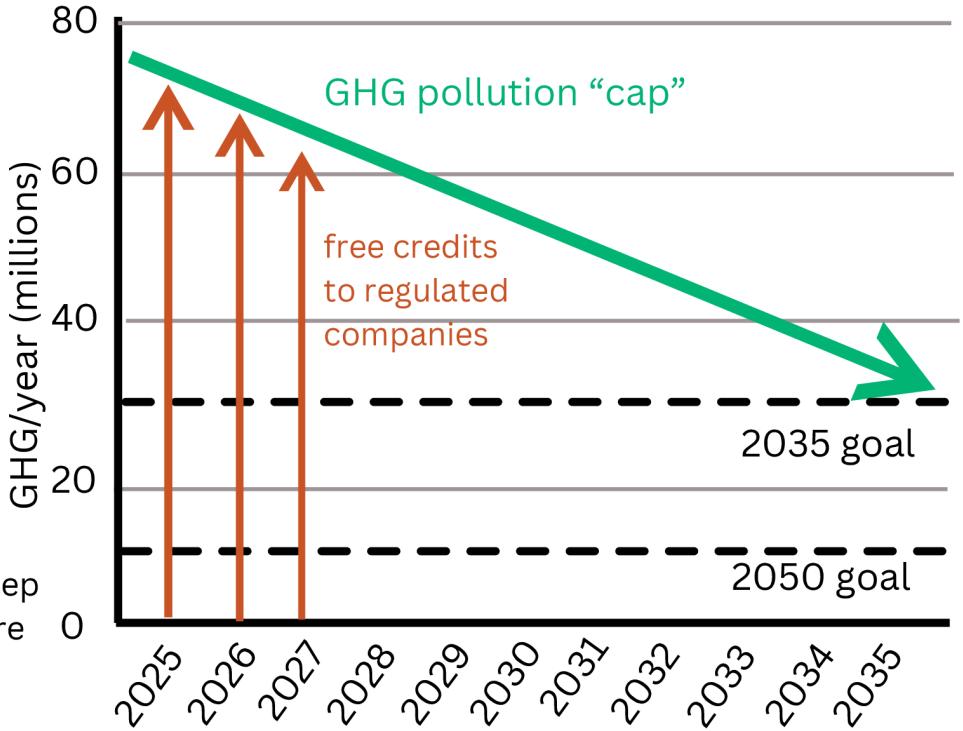





OREGON'S CLIMATE PROTECTION PROGRAM

The Climate Protection Program (CPP) is a business-minded solution developed over a 2-year process with considerable industry input. **The CPP requires gas utilities, oil companies, + major industrial sources to reduce their GHG pollution slowly over a period of ~30 years.** Each year, there is a “cap” on how much companies can pollute. Companies receive free credits up to the pollution cap. These credits are how they comply with the program, and can be sold or held for future use. If companies do not keep their pollution under the cap, there are other options to help them meet the cap requirement.

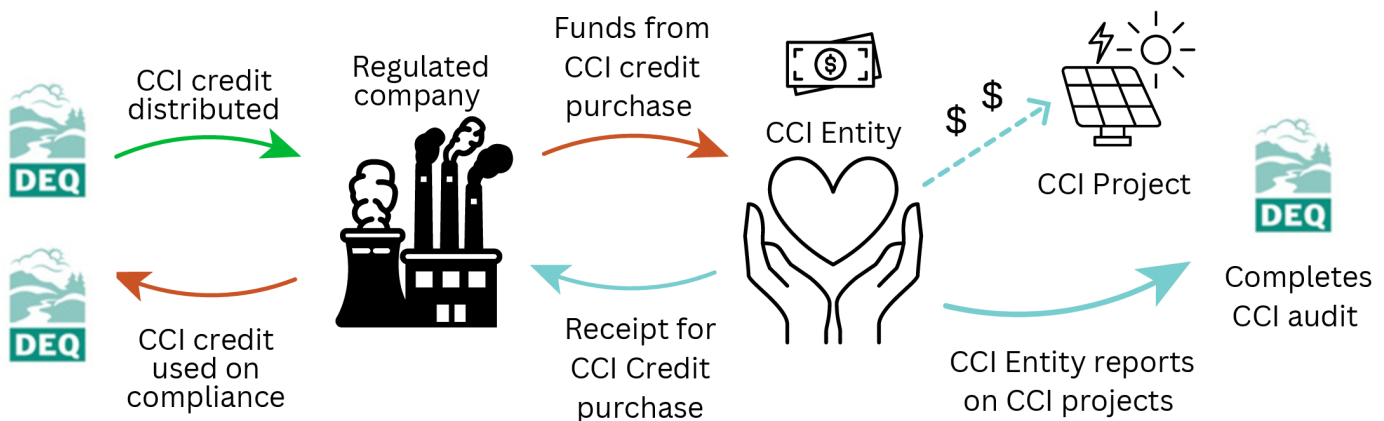


In addition to free credits they receive, to comply with the program companies can also:

-  buy credits from other covered businesses
-  invest in the CCI program
-  sell credits by further reducing emissions

COMMUNITY CLIMATE INVESTMENT (CCI) PROGRAM

CCI credits can be purchased by companies to reduce emissions. Those funds will be invested into projects in Oregon communities, prioritizing investments in rural, coastal, Tribal, low-income, and communities of color. Projects are required to reduce GHG emissions, averaging at least 1 ton for every 1 CCI credit.



CPP FAST FACTS

The CPP regulates gas utilities, oil companies, and major industrial facilities.

The CPP does not regulate agricultural, timber, or electric utilities.

The CPP was informed by two years of rulemaking and robust input from Oregonians statewide. 7 in 10 support of the CPP!

In 2021, DEQ conducted a robust 18-month rule making process. Program rules were informed by regulated industries, environmental justice + ratepayer advocates, business, climate experts, Tribal and community leaders, and Oregonians who wrote in during the public comment period.

The CPP will lead to major economic benefits for Oregon!

✔ 10,000 Clean Energy jobs by 2050

✔ \$2.5B annually to Oregon's GDP by 2050

✔ \$150M invested annually into communities

✔ Health benefits that will save \$49B in avoided healthcare costs

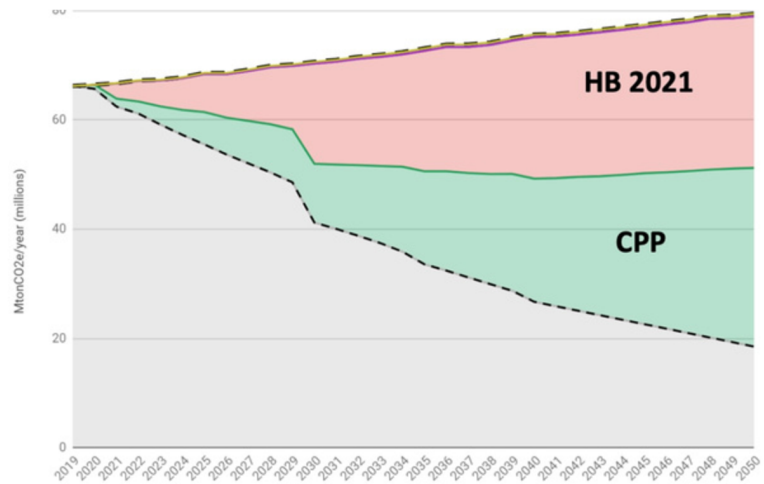
✔ Cost-savings for Oregonians from increased energy efficiency

CCI credits are just affordable , if not more so, than states with similar programs!

Unlike other states where covered entities have to buy the bulk of their compliance instruments, in Oregon covered entities are issued all their allowed credits for free. The emissions reductions requirements here in OR are slower than those in WA, meaning that companies will need to buy far fewer CCI credits to meet reduction requirements. This major component of our program make the cost on par with or cheaper than programs in other states.

The CPP is a cornerstone of Oregon's climate action! Without the CPP, Oregon cannot meet its statewide climate goals.

This graph from ODOE represents emission reductions from two cornerstone climate programs. The CPP is responsible for achieving nearly 50% of Oregon's emissions reductions goals by 2050. HB 2021 is Oregon's 100% Clean Electricity policy.



The Oregon CPP was established through a combination of legislative and administrative action, and it continues to be guided by the Legislature.

In 2020, the Legislature's Emergency Board allocated \$5M to the Department of Environmental Quality (DEQ) for rulemaking to cap and reduce GHGs in these sectors. In 2023, the Legislature passed HB 3409, which codified the CPP's Community Climate Investment program and directed and enabled funding for DEQ to oversee and audit the program. The CPP was designed to complement and work hand-in-hand with other clean energy programs enacted by the Legislature.

Questions? Contact Miranda Miller at (971) 666-8384 or mirandam@strategies360.com