

Oregon Failing on Climate Policy - By The Numbers

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all climate & economic data from governmental sources, citations in endnotes

If states are the laboratory of democracy, as Justice Louis Brandeis coined in 1932, then state comparisons provide an important tool to evaluate what is working, or not. This document compares most current outcomes of Pacific state climate policies.

Opinion research consistently finds that Oregonians and US citizens want more effective climate stability policy. To that end, in 2007, Oregon's legislature passed a bill adopting goals to reduce emissions to at least 10 percent below 1990 levels by 2020, and at least 75 percent below 1990 levels by 2050. Washington and California adopted approximately similar goals around the same time. Table 1 illustrates each state's self-reported emissions consequent to differing adopted policies.

Table 1. Evidence: Greenhouse Gas emission trends comparison (State reporting CO₂e Million Metric Tons)

Jurisdiction	GHG Reduction Goal 1990-2020	Total GHG/Year 1990	Total GHG/Year 2021	Total % GHG Change 1990-2021
Oregon¹	10% below 1990	56.4MMt*	61MMt	+8.1%
California²	To or below 1990	431 MMt	369.2MMt	-14.4%
Washington State³	To 1990 level	93.5MMt	102.1MMt*	+9.2%

*WA 2020 is extrapolated forward from 2019 data, to be updated when data is available

Key takeaways from Table 1 by 2021:

1. Oregon exceeded its 10% reduction below 1990 emission level by more than 18%, vastly under-performing CA.
2. California's cap and invest policy is working, and has reduced its GHG reduction goal by 1990-2020 by better than 14%.
3. Washington, like Oregon, failed to reduce its emission goal by over 9% (based on most current WA reported 2019 data).

Some people may critique Table 1 implications on the grounds that greenhouse gas emission measurements are exceedingly complex, subject to gaming and/or incomparable due differing measurement analytics. Therefore, two validity checks using federal agency information which use identical methodology for each state. Table 2 is direct measure of motor vehicle gasoline consumption, the single largest category of emissions, is the most up-to-date report of GHG activity and a useful surrogate for the more complex measurement of human based GHG emissions.

Table 2. Validity Check #1: EIA total prime supplier motor gasoline use 1990-2021⁴ and % change (thou.gal/day)

Jurisdiction	1990	2012	2013	2021	% change 1990-2012	% change 2012-2021
Oregon	3889	3956	4023	4008	+ 1.7%	0.0%
California	40676	38821	39453	33307	- 4.5%	- 15.5%
Washington State	6803	7399	7486	6990	+8.8%	-6.6%

The singular measure of motor fuels covers the single largest component of a state's emissions. Drawn from singular federal source gives a surrogate measure of emission behavior trends eliminating concern for differing methodologies of measurement although with the weakness of leaving out many other sources of emissions.

This table includes a 2012 data point to exhibit the impact of CA's 2007 legislation which began implementation in 2013. Table 2 shows a dramatic effect of California's policy adoption of a cap and invest policy and the potential anticipatory effect of Washington's recent adoption of California's cap and invest policy.

Table 3. Validity Check #2: Federal EIA GHG emissions* for designated year⁵ (MMtCO₂e) Change 1990-2020

Jurisdiction	1990	2000	2005	2010	2015	2016	2017	2018	2019	2020	% change	Absolute
Oregon	30.8	41.5	41.1	40.6	37.9	37.7	38.8	39.6	41.8	37.5	+21.8%	+6.7
California	360.2	382.3	389.6	356.6	351.4	353.4	356.5	358.6	358.2	303.4	- 15.8%	- 57.0
Washington	71.7	84.3	79.2	73.4	75.1	79.4	79.1	78.7	84.2	68.4	- 4.6%	- 3.3
US TOTAL	5,024.2	5,867.5	5,990.6	5,585.0	5,267.2	5,179.5	5,143.4	5,294.8	5,158.8	4,592.4	-8.5%	-431.8

*The EIA sources their data from federal agency sources of energy reporting which use production based reporting but OR, WA & CA use sector based reporting to more accurately measures in-state energy consumption behaviors.

Federal EIA Table 3 source uses the broad composite of fossil energy combustion by states, methodology applied uniformly to all the states, unlike Table 1 data based on broader criteria but in which each state uses slightly different methods. This data source confirms the trend that Oregon is significantly underperforming on its own goals and comparison with neighbor states. (overleaf)

Taking Tables 1, 2, and 3 together, the trends are similar, giving evidence that Oregon is missing the marks it sets for itself while California is excelling with Washington exhibiting early signs of significantly lowering emissions.

The key distinguishing features of CA and WA is they both have cap and invest climate policies currently in place (CA since 2013, WA since 2021) and both include similar emission pricing systems. Their mechanism requires big polluters (above 25,000 tons CO2e / year) to annually reduce emissions or otherwise pay for the right to do so. Their fees to pollute establishes a market-based pricing signal to incentivize big emitters to move quickly while also generating significant funds to invest in climate adaptation and innovation. By comparison, Oregon gives free allowances to emit CO2e, only covers emitters above 200,000 tons CO2e/ year and does not have a funding mechanism to invest in climate adaptation and climate disaster relief, thereby missing out on both the incentives and investment opportunities to reduce emissions and cushion impacts on vulnerable communities.

There will always be a few naysayers confronting any program to address the rapidly advancing climate crisis. The most commonly heard is that a cap and invest program will wreck the economy. Table 4 addresses "it'll wreck our economy" as was broadly advertised by opponents in California and Oregon during efforts to adopt a cap and invest program.

Table 4: Evidence: Did Cap & Invest Ruin CA's Economy, as opponents predicted?

Jurisdiction	Population % Change 1990-2021	GDP %/year - Annual Change ⁶	
		1997-2013	2013-2021
Oregon	+49.0%	3.0%	3.3%
California	+31.7%	3.3%	3.5%
Washington State	+59.0%	3.0%	4.4%
USA	+23.8%	2.6%	2.5%

2013 was the year that CA's cap and invest started operating.
1997 was the beginning of BIA's current methodology of US annualized GDP.

Key takeaways from Table 4:

1. Contrary to vehement objections funded in part by fossil fuel interests that California's cap and trade program would ruin their economy, their economy has continued on a stable course. California's electorate and legislative strengthening of the original AB32 law indicates their confidence in the overall benefits of their Cap and Invest for both climate and business.
2. Some argue that GDP is a poor measure of well-being. Various measures of well-being employing much broader scope of metrics commonly show that California's collective wellbeing ranks in the top 20%. Gallup Survey uses 12 categories of metrics and finds California in the top six states while Oregon is below the mid-level of the US states, suggesting that lowering emissions in California is not penalizing broad measurement of well-being.
3. After running cap and trade for six years, in 2018 California legislated an additional 40% of emission reductions [resulting in \\$18.5 billion invested in 75,000 projects](#) on climate stability and justice, creating jobs and improved resilience.

Summary Developments

- **Oregon** – failing to meet its reduction target – started over again during the 2015-2019 legislature, attempts to pass a cap and invest policy similar to California hit resistance resulting in Republican caucus walkouts blocking any vote. Frustrated by legislative failure, Governor Brown's [Executive Order 20-04](#) resulted in DEQ agency rulemaking for the [Oregon Climate Protection Program](#) and [detailed directives](#) aimed at emission reductions. In the 2023 legislative session, Democratic legislators introduced legislation ([HB 2695](#) & [SB 580](#)) to delay some recent administrative rules for as long as five years.
- **California** – broadly satisfied with AB32, but when approaching 2020 expiration – in 2016 redoubled their emission reductions 40% below 1990 levels. In 2022, with Governor's leadership, the CA's legislature enacted [the world's strongest emission reductions](#) to achieve carbon neutrality no later than 2045 and 90% clean energy by 2035 coupled with a \$54 billion climate resilience budget.
- **Washington** – walking largely in lockstep with Oregon's failing performance until 2020 - then largely adopted California's [cap and invest program with several innovations](#) in 2021 with a fee on emissions ranging from \$32-80/ton CO2e, estimated to raise nearly one billion dollars per year for climate resilience & infrastructure investments with net-zero emission target by 2050. During the first auction on Feb. 28, [more than 6 million allowances were sold](#) to businesses across the state, with the minimum bid set at \$22.20 per allowance. Compared to Oregon's slow rule-making, Washington was able to implement their comprehensive policy in two years from the point of enactment.

1. Oregon DEQ consumption based emissions 1990-2021 <https://www.oregon.gov/deq/FilterDocs/ghg-sectordata.xlsx>
2. CA 1990 CARB emission 1990-2000: https://ww2.arb.ca.gov/sites/default/files/classic/cc/inventory/2000-2020_ghg_inventory_trends_figures.xlsx
3. Washington State GHG Inventory 1990-2019 Table 4 [Washington Department of Ecology](#)
4. EIA prime supplier motor gasoline state annual: https://www.eia.gov/dnav/pet/pet_cons_prim_a_EPM0_P00_Mgalpd_a.htm (Select Excel file download for most current data)
5. EIA State energy related CO2 emissions by year <https://www.eia.gov/environment/emissions/state/excel/table1.xlsx>
6. [Bureau of Economic Analysis data](#): <https://apps.bea.gov/itable/iTable.cfm?ReqID=70&step=1#reqid=70&step=1&isuri=1>; use tool: SAGDP10N; Per capita real GDP by state for CA,OR,WA, use with US Census population data