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Reasons to oppose this terminal:

- 1. The terminal undermines the letter and spirit of Portland's Climate Action Plan and its reputation as a climate leader. Pembina Pipeline Corporation's propane export terminal will increase global greenhouse gas emissions in four ways: (1) by inducing additional natural gas extraction from wells that are now economically infeasible (this is an effect already well documented by the EIA); (2) through combustion associated with transport by rail and by sea; (3) through energy use at the terminal, and (4) through energy use at propane dehydration (PDH) facilities in Asia, by far the most likely end use. A climate leader should take all of these sources of emissions into account. The Center for Sustainable Economy calculates that the daily climate impact of <u>the PDH plant combustion process alone</u> is equivalent to the daily emissions from 760,000 passenger vehicles or 1.5 times the number of such vehicles registered in Multnomah County in 2013. Such emissions would represent 43% to 83% of Portland's total greenhouse gas (GHG) emissions as reported in the latest inventory. Even if these figures were reduced by 58% to exclude life-cycle emissions and assume the best-case scenario of emissions from best available technology-compliant PDH facilities in China, this still leaves a GHG emission impact of 1,289,149 metric tons CO2 at Pembina's initial capacity rising to 2,508,614 metric tons CO2 at full capacity. These figures represent between 18% and 35% of Portland's total current GHG emissions. Clearly, Portland will have a hard time achieving its Climate Action Plan goals if these emissions are taken into account.
- 2. The City of Portland should not facilitate the export of materials that are banned or being banned elsewhere. The propane is likely to be sourced from "fracked" gas, yet fracking has been banned in <u>numerous municipalities</u>, states and <u>countries</u> due to the unacceptable risks it poses to drinking water, among other serious health and environmental impacts. The State of Oregon is <u>considering a 10-year moratorium on fracking</u>. In addition, the City of Portland <u>has banned plastic bags</u>, recognizing their harm to the environment. And <u>Oregon's legislature is currently considering a ban on microbeads</u>, made from plastics, including propylene. Yet this propane, sourced from fracking, is going to be exported to China and elsewhere to be turned into propylene, according to Pembina, which in turn is made into plastic bags and microbeads, among other non-biodegradable products harmful to human health.
- 3. Carbon offsets are unverifiable and should not be used to address the serious environmental damages caused by propane. News articles suggest that the Portland Sustainability Commission has begun to recognize some of the social and environmental costs associated with propane exports. However, the PSC are currently allegedly considering charging \$6 million per year to "offset" the climate impact of this terminal is in order. There are at least three problems with this approach. (1) As the US Government Accountability Office has stated, "carbon offsets may not be a reliable long-term approach to climate change mitigation." Numerous studies have shown that carbon offsets actually create a perverse incentive to pollute more, while offering no real climate benefits. (2) Cap and trade with offsets assumes there is a cap on greenhouse gas emissions that is verifiable and being reduced. Yet this propane terminal would actually put in place a long-term commitment to *increase* Portland's greenhouse gas emissions, as stated above. (3) The figure quoted of \$6 million per year to offset this propane terminal is nowhere near the current social cost of carbon, which is at least \$40 per ton, if not, as a recent Stanford University Study suggests, six times that figure. If the PSC were to truly require Pembina Pipeline Corporation to pay the cost of climate change, it would charge Pembina upwards of \$130 million per year, and as much as \$1.5 billion per year, with that figure rising as the cost of climate change rises.