

Oregon Investment Council Public Comment

September 6, 2023

Good afternoon madam chair and board, my name is Nichole Heil with the Private Equity Stakeholder Project. We are a non-profit organization that seeks to understand the impacts of private equity on people and the planet. I'm here today to talk about three OIC investments in risky fossil fuel assets that combined release the equivalent of approximately 72 coal-fired power plants worth of carbon dioxide emissions every year.¹ OIC is one of the largest investors of NGP Capital, an oil and gas-focused private equity firm. OIC has committed [a billion dollars](#) since 2018 across nearly all of NGP's oil and gas funds. This includes a recent \$250 million investment in NGP's latest fund, [Natural Resources XIII](#) in 2023. Our partner Global Energy Monitor's analysis concluded that from 2014-2021, NGP portfolio companies generated at least an estimated total of [97 million metric tons](#) of carbon dioxide equivalent or about the annual emissions of 26 coal power plants.

The OIC is also invested in the controversial Rio Grande LNG export terminal which is facing [community](#) and [legal opposition](#), via a [\\$251 million commitment](#) plus a \$99 million sidecar to Global Infrastructure Fund V. If built, this project is estimated to emit the equivalent [emissions of 44 coal power plants every year, about 163 million tons of carbon dioxide equivalent](#).

Finally, I'd like to highlight an actual coal-fired power plant in the OIC's portfolio. The OIC made a \$500 million investment in Blackstone Capital Partners VII in 2016 which invested in the Gavin Coal Plant, a 2,600-MW, coal-fired plant, located in Cheshire, OH, the largest in the state. In 2021 it was the [fourth-largest power plant CO2 emitter in the country](#), producing over 7.3 million tons of CO2. In addition, Gavin is the "most deadly remaining coal-fired power plant" in the U.S. according to a 2023 [Sierra Club analysis](#) of particulate matter impacts.

These private market fossil fuel investments contain climate and financial risks. A recent [New York Times column](#) highlighted new research showing Oregon's pension fund is over 40 percent more volatile than its own reported statistics. Given the risk of OIC's private equity portfolio and the [Treasurer's decarbonization framework's](#) goal to achieve

¹ The annual coal plant equivalent emissions were calculated using the [EPA's Greenhouse Gas Equivalencies Calculator](#) for NGP's emissions (97 million metric tons of CO2e which is equivalent to 26 coal power plants), Rio Grande LNG emissions (163 million metric tons of CO2e which is equivalent to 44 coal power plants), and Gavin Coal Plant (at least 7.3 million tons of CO2e which is equivalent to 2 coal power plants) for a total of 72 coal fired power plants worth of emissions

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50% decarbonization across the entire portfolio by 2035, the Board should do the following to derisk the portfolio:

1. Disclose climate risks throughout the portfolio, in public and private markets
2. Engage private asset managers to transition current fossil fuel investments
3. Cease new investments in fossil fuels
4. Invest in climate solutions

Thank you for your time today and allowing me to speak.

Sincerely,

Nichole Heil
Research and Campaign Coordinator
Private Equity Stakeholder Project