

The Independent Business Voice for the Environment

www.e2.org

February 2, 2015

Senate Committee on Environment and Natural Resources Oregon State Capitol 900 Court St. NE, Room 347 Salem, OR 97301

Re: Support for SB 324: Clean Fuels Program

Dear Senate Committee on Environment and Natural Resources Chair and Members:

As Oregon business leaders, we are enthusiastic for Oregon's Clean Fuels Program's (CFP) ability to help stimulate economic productivity through the production of clean, domestic fuels and job creation in Oregon. Although we work in many sectors across the state, all of us recognize the importance of reducing our use of petroleum. Therefore, we write to request your support for SB 324, a bill to remove the 2015 sunset on Oregon's Clean Fuels Program.

E2 is a nonpartisan, national community of business leaders who promote sound environmental policies that grow the economy. We are entrepreneurs, investors, and professionals from every sector of the economy who collectively have been involved in the financing, founding or development of more than 1,700 companies that have created more than 570,000 jobs. Our members manage billions of dollars in venture and private equity capital that will flow over the next several years into new companies in Oregon and beyond.

Although the CFP was enacted in 2009, it has still not been fully implemented. Sunsetting the program now, just as its intended goals will begin to be accomplished, would drastically harm the business environment of Oregon.

We want clean energy companies to know that they can invest in Oregon with certainty, but if the CFP is canceled, existing Oregon alternative fuel companies will be left without the market access they need to compete with traditional petroleum fuels. Additionally, new biofuel companies are now assessing expansion into Oregon, but are waiting to see if the Clean Fuels Program will continue before making their decision. Without the CFP, it is unlikely Oregon will compete for the next west coast biofuel facility.

We understand critics of the program claim it will unnecessarily raise costs on consumers, however, that interpretation is misunderstanding the program and undervaluing of the harms associated with carbon pollution. Based on the existing program in California, there is no evidence of such cost increases.

The CFP already includes a price safety valve that will protect Oregonians from any price increases related to this program, so your vote will not adversely impact the price your district pays at the pump.

NEW YORK & NEW ENGLAND 40 West 20th Street New York, NY 10011 TEL 212 727-2700 fax 212 727-1773 Los Angeles & San Diego 1314 Second Street Santa Monica, CA 90401 TEL 310 434-2300 FAX 310 434-2399 Instead, the CFP is an important first step to producing local, clean fuels that can create jobs in all corners of Oregon, while reducing the risks associated with climate change.

In order to realize the clean air and job benefits of advanced biofuels, we urge you to remove the 2015 sunset date. The sooner the full ten-year program is in place with certainty, the sooner we can realize the value of providing low carbon fuels to the Oregon market.

We commend you for your leadership and for your efforts to steer Oregon and our nation along a path to a cleaner transportation future and stronger economy.

Thank you for your consideration.

Sincerely,

The following Oregon E2 members and supporters have electronically signed this letter:

| Dean Anderson Permitting & Gov't Relations, Illinois Clean Fuels | Meredith Connolly Energy Fellow, NRDC | Alex Wall Independent Consultant |
|---|--|---------------------------------------|
| Bill Boyk CEO/Founder, GyroVolts by Ameristar Solar, LLC | Chris Dennett Manager, ACME Business Consulting | Laura Weiss Founder, Go Box |
| Jason Busch Executive Director, Oregon Wave Energy Trust | Brian Von Herzen Executive Director, The Climate Foundation | |