

727 Center Street, NE Salem, Oregon 97301 503-370-4413 fax 503-371-4781 www.opuda.org

Ray Sieler, General Manager Tillamook PUD On behalf of the Oregon PUD Association

Oregon PUDs Oppose the Low Carbon Fuel Standard

Chair Edwards and Members of the Committee,

My name is Ray Sieler and I am the General Manager of Tillamook PUD. I am here in opposition to the Low Carbon Fuel Standard, or LCFS, on behalf of the Oregon People's Utility District Association (OPUDA). OPUDA's members include five People's Utility Districts (known as PUDs) which provide electric service to mostly rural Oregonians.

Oregon's PUDs collectively serve over 193,000 people and deliver over 4 million megawatt hours of electricity to Oregonians annually. OPUDA member utilities provided almost 400 family wage jobs in rural communities, representing more than \$46 million in salary and benefits.

Oregon PUDs provide their customers with electricity that is more than 93% carbon-free, which is one of the highest rates of clean energy in the United States. Oregon's PUDs offer innovative energy solutions supporting renewable energy such as solar and wind, energy efficiency programs and conservation as a resource.

A solid mix of power sources reduces operational and financial risk, and helps PUDs maintain safe, reliable, and affordable service for customers now and in the future. "Cost to customers" is a critical consideration when considering what new resources are truly sustainable and affordable to the public. That is why OPUDA opposes the LCFS, which will increase the cost of fuel for our fleets and our customers.

Oregon's coastal and rural communities like Tillamook, Newport, Yachats, Scappoose, Cottage Grove, and The Dalles will be hardest hit under the LCFS. Those are just some of the communities that we serve. Low-income and working rural families cannot afford to buy new vehicles and will suffer the high fuel prices. Rural Oregonians do not have alternative transportation. We do not have a choice about driving long distances.

If the LCFS is about transferring money from one group to another, in rural Oregon, you are transferring money from low-income Oregonians forced to drive their cars to wealthier private businesses and individuals. This program is truly regressive.

The Oregon PUDs are urging you to reconsider this regressive fuel tax on rural Oregonians.

Thank you for your time.