

1120 SW Fifth Avenue, Room 1000, Portland, Oregon 97204 Nick Fish, Commissioner Michael Jordan, Director

February 6, 2019

The Honorable Michael Dembrow Chair, Senate Committee on Environment and Natural Resources 900 Court Street NE Salem Oregon 97301

RE: Support for Senate Bill 98

Dear Senator Dembrow:

I am writing on behalf of the City of Portland in support of Senate Bill 98.

The City of Portland is moving forward with a large Renewable Natural Gas production project at our Columbia Boulevard Waste Water Treatment Plant (WWTP). When completed we will be gathering virtually all of the methane from the plant and turning this methane into Renewable Natural Gas (RNG) to be used to replace diesel in commercial vehicles. This project is one of our largest sustainability projects ever and it has helped the city become an engaged participant in the new RNG market.

We support SB 98 because we believe it will help us retain environmental benefits for Oregon. Currently most of this new renewable product will flow to the vehicle market, much of it to fleets in California. We are strong supporters of finding a way over the long term to keep our RNG produced locally and the associated environmental benefits here in our community. SB 98 could allow local gas utilities to purchase some or all of our output over time – allowing the RNG produced here in our city to be used right here in homes and businesses. This is important as the city looks for ways to reduce overall GHG emissions from the community.

The bill is also good for RNG producers because it provides us with added certainty. RNG currently flows to the transportation sector because of incentives from state and federal programs that make this a profitable place to sell our product. These incentives may not always be available to producers if these programs change over time or sunset altogether. For this reason, the new markets opened through SB 98 provide some certainty for cities and other RNG producers. As a result, the state should expect to see an expanding supply of RNG thanks to this new bill.

We urge you to pass SB 98.

Sincerely,

Michaelford

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