

Cap-and-Trade Testimony Jubitz Corporation Portland, Oregon <u>mark.gram@jubitz.com</u> 503-345-0305

Chairmen Dembrow and Power, Vice Chairs, and Members of the Committee:

I am Mark Gram, here representing, Jubitz Corporation, including its 200 employees and their families, and thousands of customers including large companies, small fleets, and independent truck drivers.

This bill is effectively a 550-million-dollar annual tax on Oregonians. Specifically related to the transportation sector, this is at least a 16¢ tax on every gallon of fuel. Of the 550-million, approximately 330 million dollars is going to be paid annually at the gas or diesel pump.

Several large utilities get a 10-year reprieve because they are already reducing emissions under a 2016 bill. Unfortunately, that same consideration was not given to the transportation fuel sector, even though we are also already reducing emissions under the Clean Fuels Program.

Many other businesses are getting allowances because of potential loss of business—but there is nothing in the bill for transportation fuel providers on the Oregon, Washington and Idaho borders who are likely to lose substantial business to Washington and/or Idaho.

For Jubitz, the tax will come in an increase in the cost of fuel we purchase at the rack. Jubitz Truck Stop is less than a 2-mile drive to Washington. Approximately 60% of the trucks fueling at Jubitz last week were either going to or coming from Washington.

A 16¢ per-gallon Cap and Trade tax will make it very difficult, if not impossible, for Jubitz to compete with Washington truck stops. Commercial fuel is a pennies business, and drivers and fleets will definitely switch for a couple of pennies per gallon. So, there is no way we can pass on the increased cost and be competitive with Washington truck stops.

Monday through Friday, approximately 1,000 trucks enter our property each day and 280 trucks park in our lot overnight. Who is going to take care of these drivers and where are those trucks going to go?

Jubitz started selling B-20 at our truck stop in 2007, and since 2017, we have been exclusively selling B-20. We have contributed to the success of the Clean Fuels Program.

If HB 2020 passes as written, the trucks driving in NW Oregon and SW Washington will purchase dirty diesel in Washington vs. B-20 at Jubitz, increasing greenhouse gases.

Please consider options that allow Jubitz and other Interstate truck stops within a few driving miles of a non-cap and trade state, to remain competitive.

Thank you for your time and consideration.

Mark Gram COO, Jubitz Corporation

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