In a perfect world we would all have 20/20 vision but that is not the case as to the imperfections of one's vision. The same analogy could be applied to the proposed Oregon's climate action program (House Bill 2020) as to the plan's imperfections (It is not perfect). Please consider the following:

- 1. Oregon already requires the Petroleum industry to follow the Clean Fuels Program
- 2. Oregon does not have refineries for Petroleum products and relies on outside sources from other States to bring in refined products. How is Oregon going to monitor the fuels entering the State of Oregon and monitoring the specifications for fuels Oregon is going to require for House Bill 2020.
- 3. The Costs are huge, estimated at \$500 million annually but the results are unknown. What model has been proven that the program will work in Oregon. California has some real issues with their program that Oregon must consider before adoption of any program of this magnitude.
- 4. The program penalizes the use of fossil fuels when in fact our consumption has declined the past few years by conservation and fuel standards and emission controls already in place.
- 5. Implementation of House Bill 2020 will increase costs of doing business for everyone. Commodity industries will be faced with higher operating costs that most likely will not be able to be passed on thus making those industries unable to compete in world markets (grain). Many small companies will most likely go out of business based on not being able to compete with higher operating costs in rural areas of the State.
- 6. Allowing some industries to be exempt or delayed as to implementation of the program vs. smaller companies that have to start at the onset of the program is unfair at best.
- 7. The bureaucracy required to staff and implement the program for Salem and the benefit of those jobs for that area vs. the rest of the State.
- 8. Our costs for energy consumption must be competitive with world competition and reality is the U.S. has or will become an exporter of fossil fuels not an importer while at same time Oregon is trying to eliminate fossil fuels or make it so costly that we go to alternate vehicles such as electric.
- 9. There are too many unintended consequences when trying to make the changes as proposed in House bill 2020 that needs to be discussed further and thus we do not need to rush to approve this program. (Power grid?)
- 10. There needs to be an impact statement to the costs of implementing this program to all business in Oregon especially in Rural Oregon.
- 11. Can we meet the goals of CO2e as presented by House Bill 2020? If not what will be the additional costs?
- 12. Not allowing Allowances to the small businesses while offering direct allocation of allowances to the large utilities is unfair.
- 13. Having a fair program for small businesses whom have to purchase credits to offset emissions that our sold in Oregon from refiners out of State. Currently having to buy on open market at whatever price market will bare (credits) needs to be addressed as offsets for emissions generated. Oregon uses fuel from Washington, California, and Idaho with different specifications of fuel standards from Eastern sources. Ontario, Oregon gets fuel from Boise or Pendleton, Oregon get fuel from Pasco, Washington or Spokane Washington that has different Specifications from Western Washington refineries or Californian refineries requiring credits to be purchased based on current specifications.

In summary our company and myself are opposed to House Bill 2020 as proposed and I would urge a delay as the cost far exceeds the benefit in Oregon's footprint on CO2 emissions and the overall costs to Oregonians is too much for everyone's pocket books.

Thank you for allowing me to comment, Regards

Doug Hattenhauer, President Hattenhauer Distributing Co PO Box 1397, The Dalles OR 97058 Ph. 541-296-3515 doug@hattenhauerdistributing.com