



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

March 12, 2019

**RE: OPPOSE UNLESS AMENDED: SB 98**

Dear Senator Dembrow:

As you recall, I testified on behalf of Clean Energy at the SB 98 hearing with an “oppose unless amended” position. **We continue to strongly oppose the bill because any ability by the utilities to rate base production of renewable natural gas would put them at a competitive advantage over private entities.** This risk-free source of funding would allow them to dominate the production market over businesses which have to assume risk in the financial markets for capital expenditures.

We understand that the utilities would like to use SB 98 to invest in small scale community projects. However, the proposed amendments supported by the utilities do NOT go far enough. The RNG industry is not united behind the amendments, as Clean Energy is the largest provider in North America of renewable natural gas transportation fuel and believes having the large 1,000 SCFM allowance per project is evidence alone that the intent of the bill is not limited to small scale community projects.

We would remove our opposition if the amendments supported by the utilities would be amended further:

1. Make the 1,000 SCFM allowance per project limited to a pilot project(s), thereby not granting a blanket allowance by the state for utilities to dominate the market; or
2. If amendment No. 1 is not viable then limit 1,000 SCFM projects to the service territories of the utilities.

We believe either proposed amendment is reasonable and in the spirit of compromise, and would keep the RNG market competitive in Oregon.

Thank you for considering our views. For further details on why we are opposed to SB 98 please refer to our previous letter submitted to this committee.

Thank you,

A handwritten signature in blue ink that reads "Ryan Kenny".

Ryan Kenny  
Senior Public Policy & Regulatory Affairs Advisor – Western U.S.  
Clean Energy