



February 2, 2021

Senator Lee Beyer, Chair
Senate Committee on Energy and Environment
Oregon State Capitol
Salem, OR 97301
Senate Energy and Environment Committee

RE: SB 314

Dear Chair Beyer and Members of the Committee:

Climate Solutions is a regional non-profit working to accelerate clean energy solutions to the climate crisis. Founded in 1968, the Oregon Environmental Council (OEC) is a nonprofit, nonpartisan, membership-based organization advancing innovative, collaborative and equitable solutions to Oregon's environmental challenges for today and future generations.

We support the provisions in SB 314 concerning electric utility investments in electric vehicle infrastructure. However, we have great concern over and oppose the provisions that would support investment in CNG infrastructure for natural gas utilities and we respectfully request that those provisions be removed from the bill.

The transportation sector comprises the largest portion of greenhouse gas emissions in Oregon – roughly 40% - and those emissions are growing. Recognizing this challenge, in 2019, the Legislature passed an important bill, SB 1044, that established ambitious statewide goals for vehicle electrification and zero emission vehicles (by 2025, at least 250,000 registered motor vehicles, and by 2035, at least 90% of all new motor vehicle sales). The legislature also passed a bill in 2019, SB 98, that supported utility investments in renewable natural gas.

Widespread, reliable deployment of EV charging stations is essential to efficiently serve the growing fleet of electric vehicles (EVs) on Oregon roads and enable Oregon to achieve its ambitious zero emission vehicle goals from SB 1044. Electric vehicle adoption has continued to grow in Oregon and the nation despite the novel coronavirus pandemic but it needs to accelerate significantly. Grid infrastructure must be built today to support and integrate electric vehicle chargers at residential, commercial, and public spaces in partnership with communities, businesses, governments, transit agencies, and equipment providers.

SB 314 will ensure the Public Utility Commission has clear authority to allow regulated electric companies to invest in the electrical infrastructure to facilitate widescale deployment of EV charging.

However, unlike the electric vehicle sector, there is no need for added guidance to the PUC around Compressed Natural Gas (CNG) infrastructure. As noted, the PUC already received guidance from

the legislature for utility investments in renewable natural gas (RNG, a.k.a. biomethane), a lower-emitting energy source from organic materials. CNG vehicles are higher emitting and utilize methane gas, a fossil fuel, to run. To achieve Oregon's greenhouse gas reduction goals, we should not be supporting the development of greenhouse gas-emitting methane gas infrastructure.

The recent development of the renewable diesel industry in Oregon further pushes any need for additional CNG vehicles to the curb. Renewable diesel is a plug and play fuel that displaces conventional diesel fuel **at virtually no added cost and with no need for any new or additional infrastructure**. It also reduces GHG emissions in vehicles by up to 70 percent, as compared to CNG, which only reduces GHG emissions by around 20 percent. And from a cost perspective, renewable diesel is cheaper than conventional diesel at the pump in Oregon whereas CNG infrastructure adds significant new costs.

Due to these compelling benefits of renewable diesel as compared to CNG, Oregon's public fleets and even some of its private fleets are quickly converting to 100 percent renewable diesel and not to new CNG infrastructure. This also enables a true drop-in bridge fuel that's cleaner and doesn't require investments in new infrastructure until zero emission electric options are available. Examples of large diesel users that have committed to switching to renewable diesel include City of Portland, Multnomah County, TriMet, Port of Portland, PGE, EWEB, Titan Freight and AM Transport. The Legislature should be encouraging expansion of electric vehicles and for existing vehicles to use renewable diesel (until electric options are available)– not investing in new CNG vehicles and infrastructure at this juncture, which are destined to be stranded assets.

Sincerely,



Meredith Connolly
Oregon Director
Climate Solutions



Sara Wright
Program Director, Transportation
Oregon Environmental Council