



February 2, 2022

To: Joint Committee on Transportation

RE: Opposition of House Bill 4141

Dear Co-Chair Beyer, Co-Chair McLain, and members of the committee,

As representatives of Oregon's consumer-owned utilities (COUs), which serve two-third of the state's area, we write to you today in opposition of HB 4141, relating to new provisions for diesel fuel.

While we understand the important role renewable diesel plays as part of the suite of viable alternative fuels, the current supply chain challenges and significant cost increase is of great concern. If HB 4141 were to pass as written, this is how it would impact COUs:

- Fuel costs could increase by 5-15% seasonally
- Many COUs will be forced to purchase new line trucks which are back ordered 1.5 - 2+ years and cost approximately \$300,000. Biodiesel is not compatible in all vehicles and equipment.

Both Oregon's Clean Fuels Program and Climate Protection Program already provide significant incentives and mandates for fuel manufacturers, retailers, and wholesalers to import and sell as much renewable diesel as economically viable. However, the cost and availability of renewable diesel are barriers for requiring Oregonians to use it.

In place of a petroleum diesel ban, we should be studying the issue to understand existing incentives, future demand and availability, infrastructure limitations and/or opportunities, and demographic access to alternative fuels. Until technology, infrastructure, and supply catch up it is better to consider renewable diesel as part of a broader conversation.

We appreciate your time and look forward to working with the committee on this bill.

Thank you,

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