Submitter: Sepan Dist

On Behalf Of: Smart folks in OR

Committee: Joint Committee On Transportation

Measure: HB4139

OPPOSE HB 4139

Oregon's economy relies on the use and availability of diesel fuel. We urge you to oppose this ill-advised mandate that would ban a vast majority of diesel and put businesses and Oregon's economic future at risk.

Oregon already provides incentives and regulations to drive more renewable transportation energy sources into Oregon.
In 2015, the Oregon Legislature passed the Clean Fuels Program that, through a regulatory framework, incentivizes the sale of renewable diesel.
Pursuant to the Governor's Executive Order 20-04, the Department of Environmental Quality is already considering a rule that would more than double the clean fuels standard and make fuels like Renewable Diesel even more valuable.
Additionally, the Environmental Quality Commission adopted the Climate Protection Program that creates a preference for fuels like Renewable Diesel .
Renewable Diesel faces significant cost competitiveness and supply challenges that have not been addressed by the bill. There continues to be a disconnect between the available supply and Oregon's demand. Today, not everyone can purchase Renewable Diesel due to the supply and storage constraints.
Based on existing data, there is almost no way to know whether those realities will change. For purposes of a reference point, in 2019, Oregonians used over 719 million gallons of diesel. By comparison, less than 17 million gallons of Renewable Diesel and 60 million gallons of biodiesel were brought into the state. Meaning, Renewable Diesel amounted to less than 3% of the fuel used in diesel engines. We simply do not have the Renewable Diesel supply and infrastructure for a fuel transition of this size and magnitude.
Before Oregon takes this risky step in removing critical fuels from the market, we must better understand Oregon's opportunity for new and emerging fuels and technologies that can ensure Oregon remains economically competitive.

OPPOSE ??????