

March 2, 2022

Chair Janeen Sollman  
Vice-Chair Lynn Findley  
Members of the Senate Committee on Energy and Environment

**Re: SB 803 ignores shortage of renewable diesel and potential supply chain challenges**

Chair Sollman:

My name is Leo Anthony Bocchi and I am a shareholder in Quail Mountain Inc.,. We are in the business in the wholesale distribution of soft drinks and coffee products to businesses in Klamath, Lake and Modoc county in CA. Our distribution area is quit large and we do use a lot of Diesel fuel and unleaded gasoline to market our products. The need to move away from petroleum products must be looked at carefully. With the supply issues of renewable diesel, it would crucify our business along with a many others, UPS for example would close its doors. These bills restricting certain fuels need to occur over many years instead of in the short term. There is no way to produce the renewables needed to keep the economy running smoothly. Our food prices are high enough. You legislators have done enough damage with all the emissions controls that have been dictated to us in the past. Leave our diesel alone. Our business depends on it.

I urge you to oppose SB 803, which would ban nearly all petroleum based diesel fuels in Oregon.

While I recognize that this bill seeks to force a shift to renewable diesel, an exciting emerging alternative “drop in” fuel for Oregon trucking companies, the narrow nature of the mandate included in the bill, as well as the significant supply issues for renewable diesel, ignore the realities of implementing such a mandate.

SB 803 would ban the sale of petroleum diesel on a regional basis beginning in 2026 and encompassing the entire state by 2030 in an attempt to force the fuel industry to switch to renewable diesel as the fuel choice for all on-road diesel applications. While many Oregon carriers have been actively looking for supplies of renewable diesel, given it doesn’t require expensive investment in new equipment and its use is only limited in extremely cold weather conditions, current supply does not meet that demand.

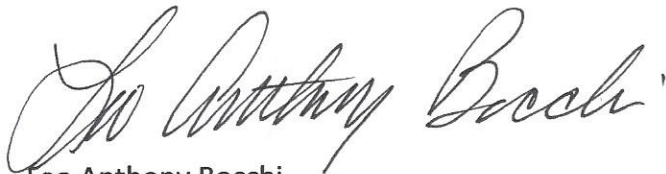
Renewable diesel supply shortages simply will not be improved in the three short years when this bill would go into effect. There is not currently enough renewable diesel available to meet Oregon’s fuel demands and this bill will not send a “market signal,” so supply will somehow become available. Production of renewable diesel is limited, and to date Oregon DEQ has denied permitting a facility in our state.

Our fuel suppliers have told us in the past that at times renewable diesel is difficult to get to blend with our petroleum diesel now to meet state standards. This will only be exacerbated with this mandates passing and cause our fuel costs to skyrocket.

Further, Oregon already provides incentives and regulations to drive a transition to more renewable transportation fuels. This effort has been accelerated by the Governor's Executive Order 20-02 and recent changes to the Clean Fuels Standard. SB 803 would create a duplicative program that would only add to the cost of product for Oregon consumers.

If SB 803 were to pass, fuel shortages would have a significant impact on Oregon's trucking industry and supply chains for all Oregon consumers. I ask you and your committee to oppose this short-sighted, dangerous proposal and vote no on SB 803.

Sincerely,

A handwritten signature in cursive script that reads "Leo Anthony Bocchi". The signature is written in black ink and is positioned above the printed name and title.

Leo Anthony Bocchi  
President, Quail Mountain inc.