March 3, 2023

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:

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

My name is Kevin Weeks. I am the Environmental Manager and Compliance Director for Pacific Fibre Products Inc. While we are based in Longview, Washington, the passage of SB803 would negatively impact, and severely cripple our four wood products manufacturing facilities. Pacific Fibre Products celebrated its 40<sup>th</sup> Anniversary. We are a Third-Generation business. We currently have operations in North Plains, Molalla, Canby, and Central Point, Oregon.

We currently have 50 families employed within Oregon. We provide an excellent, family wage and a rich benefits plan that covers the employee, spouse, and children. These benefits include a robust health insurance plan, dental, vision, and an employer-provided life insurance plan. We provide 9 paid holidays, 48 hours of PTO, and paid vacation. We have a profit-sharing plan and a 401(k) plan with an excellent employer match.

We are known as excellent stewards in the communities where we are located. We take pride in the fact that our nonpolluting manufacturing operations use 100% of the timber resource we utilize. We haul nothing to landfills, with the exception of customary refuse.

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. And as the legislature continues its push to renewable diesel to other sectors of industry, including manufacturing, such a mandate would severely impact the heavy equipment that we operate to move raw and finished materials in our manufacturing plants as well.

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, the current supply does not meet that demand.

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 products 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,

Kevin Weeks

Environmental Manager/Compliance Director

Pacific Fibre Products Inc