

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass the A-Engrossed Measure
Vote: 4 - 0 - 1
Yeas: Boquist, Hass, Prozanski, Dingfelder
Nays: 0
Exc.: Atkinson
Prepared By: Beth Patrino, Administrator
Meeting Dates: 2/18

WHAT THE MEASURE DOES: Authorizes sale of diesel fuel that otherwise meets requirements of state's biodiesel fuel standards but to which substances have been added to prevent congealing or gelling of biodiesel fuel. Applies to fuel sold or offered for sale from October 1 of any year to February 28 of the following year. Sunsets provision March 1, 2011.

ISSUES DISCUSSED:

- Reports of gelling problems in Eastern Oregon last December
- Concern that current law does not allow blending of biodiesel with substances to prevent gelling
- Similar problems with diesel without additives
- Opportunity to test blending variables to prevent future problems

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: House Bill 2210 (2007) included a renewable fuel standard (RFS) mandate. The measure required biodiesel and ethanol in Oregon's motor fuels and required the Oregon Department of Agriculture to study and monitor ethanol fuel production, use, and sales in Oregon and to implement the RFS. House Bill 3463 (2009) immediately activated the RFS to blend diesel fuel with a minimum of two percent by volume biodiesel.