

May 10th, 2011

Co-chair Representative Vicki Berger

Co-chair Senator Ginny Burdick

Co-chair Representative Jules Bailey

Joint Tax Credits Committee

900 Court Street NE, Room 347

Salem, Oregon 97301

Re: Support for HB 2196

MEASURE: HB 2196

EXHIBIT: E

Joint Committee on Tax Credits 76th Session

DATE: 05-10-2011 PAGES: E

SUBMITTED BY: Tyson KEEVER

Mrs. Co-Chair, Mrs. Co-Chair and Mr. Co-Chair and Members of the Committee:

Thank you for this opportunity to testify in support of HB 2196. My testimony has been submitted in writing to the committee staff for your review.

My name is Tyson Kever and I am a managing Partner of Encore Oils and SeQuential Pacific Biodiesel. Our businesses range from recycled cooking oil collection from restaurants, to Oregon's first and largest commercial biodiesel production facility in Salem, and a network of over 15 commercial distributors and 30+ region-wide high blend retail pumps.

HB 2196 will help to promote the growth and development of high blends of Biodiesel from lower carbon feedstock sourced from recycled cooking oils by two primary factors; creating demand pressure by a Pull Market and incentivizing initial market movers.

Today Oregon's commercial petroleum distribution infrastructure largely prohibits the access of lower carbon biodiesel made from recycled cooking oil from entering the pipelines, many of the commercial storage vessels in Portland or traveling up the river to Eastern Oregon by barge. Biodiesel made from recycled cooking oil has been sold in Oregon from our plant since 2005. Our fuel is just as good if not better than the "allowable" imported biodiesel that is permitted in these distribution channels but yet we remain shut out. For further proof of our exceptional fuel quality you can ask some of our larger customers: TriMet, ODOT, City of Portland and City of Eugene. HB 2196 will encourage the admittance of lower carbon biodiesel into our fuel distribution shed by helping to create a Pull Market from the consumer level.

In addition to creating a Pull Market, this bill will encourage the use of higher blends of lower carbon biodiesel. The higher blends will work to compound the benefits of using biodiesel by reducing further harmful diesel emissions and having a stronger impact with dollars revolving in the local economy. Remember that there is no petroleum produced in Oregon and most of each dollar spent on petroleum will leave the State. Every extra gallon of locally made recycled cooking oil biodiesel purchased in Oregon has strong ripple effects in the local economy from our restaurants, cooking oil collection companies, biodiesel refineries, fuel distributors, retailers and ultimately drivers.

Please pass HB 2196 and send it to the House and Senate Floor with a "Do Pass Recommendation."

I thank you for your consideration of this testimony and I will be available for any questions you have.

Sincerely,

Tyson Kever

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