



OREGON BUSINESS ASSOCIATION

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Chair Edwards and Members of the Senate Environment and Natural Resources Committee,

OBA provides bipartisan, statewide business leadership that strives to ensure Oregon's continued economic competitiveness. Today, more than 275 businesses, from Portland to Boardman, from homegrown to Fortune 500, have joined to support OBA's commitment to a healthy economy for all Oregonians.

Oregon has emerged as a leader in attracting sustainable businesses. A commitment to the environment not only protects our quality of life, but has become an important component of Oregon's economic development efforts. Oregon and other western states have adopted greenhouse gas reduction goals, and the state should strive to meet them. Not addressing climate change will have economic repercussions for our state.

OBA believes a ten year energy plan is a critical component in fostering economic development and wage growth in Oregon. OBA strongly supports economic development opportunities that strengthen our economy, are economically efficient and that make additional capital available for the Oregon economy. The Clean Fuels Program is a well-designed, market-based program that will spur economic activity while safe guarding businesses. In 2009, we supported the low carbon fuels standard. This year, we reconfirmed that support. OBA believes the following considerations should be addressed for an acceptable final program: quality standards for biodiesel and a cost containment mechanism.

Oregon sends more than \$6 billion out of state each year importing gas and diesel fuel, money that by and large doesn't benefit our state economy. Our over-reliance on petroleum leaves us vulnerable to inevitable price increases and price spikes that hinder our economic recovery. Diversifying our fuel supply with clean fuels, some of which are from renewable sources will stabilize our already volatile fuel prices and pave the way to a smoother economic recovery through increased economic development in the clean fuels industry. A diversified fuel supply also protects us from price spikes, keeps costs down over time and allows us to move goods more cheaply.

The clean fuels industry is developing in Oregon and this program gives us a competitive advantage to attract businesses here. The Clean Fuels Industry is growing in Oregon. The Electrical Vehicle industry is already generating nearly \$300 million in economic activity in Oregon, while the biofuels industry has created 2,500 jobs, drawing over \$500 million in investment to our state. Let's show them Oregon is a smart place to continue investing. According to a report by the Pacific Coast Collaborative, the growth of clean economy jobs in Oregon increased at a rate of 2.2% compared to only a 0.3% rate of growth for all jobs from 2003-2010.

But this should just be the beginning. What the clean fuels industry needs now is market certainty. By lifting the sunset on this program we can provide just that. By merely extending the sunset or leaving it in place, we are at risk of Oregon businesses that employ Oregonians leaving the state and moving to a market with the certainty they need.

Ryan Deckert
President
Oregon Business Association