

Testimony of Harrison Pettit Vice President, Pacific Ag

House Energy and Environment Committee February 24, 2015

Chair Vega Pederson, members of the committee, my name is Harrison Pettit. I am a partner in and Vice President of PacificAg, a Hermiston, Oregon, based business.

PacificAg is a 17-year old company that employs nearly 150 Oregonians and another 100 or more in other parts of the US. For over 12 years PacificAg was the nation's largest forage harvest company – supplying both domestic and export animal forage markets. More than 5 year ago, we recognized a new opportunity to leverage our experience, expertise and scale in the emerging market to supply feedstock for cellulosic bioenergy. Today these markets have allowed Pacific Ag to grow into the largest agricultural biomass supply company in the country.

PacificAg operates in six states, including two (Iowa and Kansas) that have major commercial scale cellulosic biofuels projects that are producing fuel. In fact, we are the exclusive feedstock supply partner for the Abengoa plant in Kansas that will utilize 350,000 dry tons of crop residue every year.

In addition to the 300 construction jobs and 60 full time employees of the biofuels plant, the economic development of our feedstock supply chain is significant: Pacific Ag hires local operators, key managers and administers, and writes significant checks to farmers in those states for access to their crop residue—mainly corn stalks and wheat straw. This year in Kansas we will pay growers over \$3 million for the right to sustainably harvest part of the residue from their fields.

We also consider ourselves a part of an eastern Oregon bioenergy cluster interested in turning agricultural residue—like wheat straw and tree trimmings—into clean fuels and creating economic development in rural parts of the state. We've worked with the Port of Morrow, Greenwood Resources—a grower of hybrid poplar trees, and other bioenergy companies with whom we are building ties nationally to encourage the development of clean fuel opportunities in Oregon.



Leading From Experience

Biomass and bioenergy enterprises in the Boardman, Oregon, area directly employ 260 people and indirectly support another 200 jobs. A commercial-scale advanced biofuel refinery could add 117 construction jobs and an additional 240 direct and indirect jobs.

Lifting the sunset from the Clean Fuels Program would send a strong message that Oregon is fully commitment to continued rural bio-based enterprises. Failing to do so would be a rollback of that commitment and signal that business should look elsewhere to expand and invest.

Bioenergy has enabled tremendous expansion in our business—but we've had to travel out of state to do it. It's time for Oregon to embrace rural bioenergy opportunities and lift the sunset on the Clean Fuels Program.