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Dear Chair McKeown and members of the Transportation Policy Committee,

For the record my name is Tyson Keever, co-founder and CEO of SeSequential. I want to state my opposition to HB 2293 with the -1 amendment, which advances the sunset date for the biodiesel tax exemption to 2018 instead of 2020.

I'm a native Oregonian, and I feel incredibly fortunate to be building our business here. SeSequential has benefitted from multiple state programs that have helped us mature into the longest running commercial biodiesel producer on the West Coast. We now employ approximately 150 Oregonians and conduct business in just about every county in the state. We wouldn't have achieved this success without the support we've received from the state. In return we've continued to invest here, more than \$45 million in capital development to date. Over \$20 million of that investment was made in response to the market opportunity created by the biodiesel tax exemption. We invested that money with the understanding that the tax incentive would be in place for a full 6 years. An early sunset would jeopardize our investment and further erode investor confidence in our industry.

The biodiesel tax exemption has played a critical role in increasing the availability of cleaner fuel in the state. Clean fuel producers have long struggled against the rack distribution model developed by the oil and gas industry. By incentivizing high percentage biodiesel blends, Oregon challenged this model and cleared a path for the development of a thriving market for clean fuels. As a direct result of the biodiesel tax exemption, Oregon now boasts the country's largest network of retailers offering blends of B20 or above. Out of 210 nationwide fuel stations selling high blend biodiesel, 87 are in Oregon. Many of those stations are in rural areas, where access to cleaner fuel options was virtually non-existent before the tax exemption took effect.

While SeSequential benefits from this tax exemption, the benefits extend beyond our company or even the companies who sell our fuel. The majority of retailers pass the tax savings on to their customers, meaning that this incentive puts money back into the pockets of Oregon consumers and subsequently back into the state's economy. Those who don't purchase biodiesel also benefit. Increased biodiesel use results in less carbon pollution and cleaner air. The biodiesel sold as a result of Oregon's tax exemption has saved more than 150 million pounds of carbon emissions, helping the state move closer to its carbon reduction goals. Additionally, biodiesel emits significantly fewer harmful exhaust fumes, lowering risk for asthma and lung disease.

Advancing the sunset date for the biodiesel tax exemption would result in lost investments, greater reliance on fossil fuels imported from out of state, reduced price stability and increased pollution. I urge you to maintain the exemption's current timeline and give Oregon the opportunity to continue leading the way toward a cleaner fuel future.

Thank you for the opportunity to testify today. I would be happy to answer any questions at this time.

Tyson Keever
CEO
SeSequential