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Dear Chair Helm and members of the Energy and Environment Committee,

For the record my name is Ian Hill, co-founder of SeSequential. I want to state my opposition to HB 3386, which would dramatically reduce the ability of Oregon's Clean Fuel Program (OCFP) to achieve its worthy goal of reducing the carbon intensity of emissions from Oregon's transportation sector.

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 of Oregon. In return we've continued to invest here, more than \$45 million in capital development to date. This continued investment is largely related to the market conditions created by programs like the OCFP.

The OCFP sets targeted financial incentives that will keep our business focused on growing here in Oregon. The SeSequential team is eager to develop new feedstocks for making biodiesel so that we can displace more of the petroleum that is imported into the state. We are also researching opportunities to develop other low carbon fuels made from Oregon's waste streams. But we need consistency and predictability in policy to continue to invest and grow here in Oregon.

The OCFP is good policy. It does not choose any particular fuel type; it only sets targets and a system for rewarding those that hit the targets. Oregon DEQ has formed an Advisory Committee for the OCFP which works on rulemaking for the program. SeSequential has participated in the Advisory Committee since it was established. We feel strongly that this committee, which has a wide representation of stakeholders participating, is the best place to address improvements to the program.

HB 3386 proposes radical changes to the OCFP that will diminish its ability to stimulate the development of low carbon fuels here in Oregon. If the changes to the OCFP proposed in HB 3386 are put into practice, they will act to push businesses like SeSequential toward further growth in other states, where policy is stronger and more consistent.

Let the OCFP work. The program is off to a good start. It has a good control system in place with an engaged Advisory Committee. What we need now is patience and time to allow the existing policy to work.

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

Ian Hill
Co-Founder
SeSequential