

Oregon Legislature
Oregon House Energy & Environment Committee

Chair Helm and Members of the Committee:

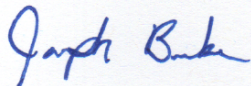
On behalf of Novus Energy LLC, I am writing to support the Oregon Clean Fuels Program as it has been enacted and stating my concern over the proposed HB 3386 legislation.

Novus Energy is a renewable fuels company with innovative technology that creates transportation fuel from non-food agricultural waste. We are finalizing the development of our first commercial plant in the Port of Morrow in Boardman Oregon where we will create living wage jobs and opportunities in this rural community. We are attracted to Oregon for your innovative, business-friendly thinking around clean fuels, the environment, energy and jobs.

As part of our project, we secured a USDA loan guarantee because of our innovative approach to creating fuel. As you can imagine, there is a considerable amount of uncertainty at the Federal level with regards to clean fuels. A change to the existing Oregon Clean Fuels Program would add tremendously to this uncertainty. Changing the policy and the strategic direction for clean fuels that reduces market demand for clean fuels in Oregon directly puts jobs and our business development efforts at risk.

I urge you to reconsider this new policy and leave the existing policy in place allowing it to grow and support the original goals of a market-based system that cost-effectively displaces fossil fuels in the transportation industry. The original program rewards the lowest carbon fuels the most. The replacement has a dubious directive to award credits not based on carbon intensities, thereby undermining the whole program and the value it creates to emerging companies such as Novus. Oregon is a bold leader in the reduction of carbon emissions in the transportation field through the adoption of the Clean Fuels legislation. Leaving the current policy in place strengthens Oregon's commitment to this goal and is a policy that other states can look to as they enact similar carbon reduction policies.

Sincerely,



Joseph Burke
President and CEO
Novus Energy