From: <u>Donald Doerfler</u>
To: <u>SENR Exhibits</u>

Subject: Oppose Costly Cap-and-Trade Bill
Date: Wednesday, January 15, 2020 3:20:04 PM

Dear Chair Dembrow,

I farm in your district and have concerns about the cap-and-trade bill.

Oregon farmers already operate on extremely thin margins. Cap-and-trade will make our operation less competitive in the domestic and global marketplace.

Farmers have a limited ability to recoup any added costs of production. Additional fuel costs or higher fertilizer prices can't simply be passed to the customer. That means that any extra costs associated with cap-and-trade must be absorbed by family farms and ranches. Our family can't afford these added costs.

The proposed phase-in of fuels in metropolitan areas is not a meaningful exemption for rural Oregon and will likely result in fuel price increases across the state. Both on- and off-road agricultural fuels are included in the bill and will result in significant price spikes for family farmers. Please don't pass something that fuel distributors say is unworkable.

Many natural gas customers will see rate increases the first year of the program. These added costs will increase each year without an off-ramp for struggling farm businesses.

Natural gas is used to heat greenhouses, dry hops and grain, and process potatoes.

Propane customers receive no rate relief in the cap-and-trade bill and will face a minimum \$0.16/ gallon increase in 2022. The bill will significantly increase costs for families located outside of metropolitan areas.

Propane is the primary fuel to heat homes and schools in rural communities.

Farmers use propane to keep the frost off of fruit, heat greenhouses, dry industrial hemp and hops, and power forklifts.

I urge you to oppose the cap-and-trade bill (LC 19). Farm families can't afford this policy, and more work needs to be done to address the concerns raised by farmers, ranchers, and loggers.

Thank you for listening to my concerns.

Sincerely,

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