



319 SW Washington St., Suite 1020  
Portland, OR 97204

February 6, 2019

The Honorable Michael Dembrow  
Chair, Senate Committee on Environment and Natural Resources  
900 Court Street NE  
Salem, OR 97301

RE: Senate Bill 98 – Renewable Natural Gas (RNG)

Dear Senator Dembrow:

I am pleased to write you on behalf of 3Degrees in support of SB 98. 3Degrees is a San Francisco-based company with roughly 30 FTE in Oregon; our mission is to make it possible for businesses and their customers to take urgent action on climate change. SB 98 represents the kind of thoughtful and proactive legislation needed to help Oregon begin reducing GHG emissions and improving air quality immediately and support more reductions and improvements over time. 3Degrees urges you to support SB 98.

3Degrees operates several business lines, including a carbon markets team which is responsible for sourcing high-quality carbon offsets from projects, as well as developing and managing new projects, some of which generate renewable natural gas (RNG). We were recently named Project Developer of the Year by the Climate Action Reserve for leadership in advancing climate solutions and strengthening carbon markets. To date we have played an instrumental role in bringing to fruition over 50 new U.S. projects that generate carbon offsets, the majority of which are on the west coast. 3Degrees is actively seeking opportunities to develop projects in Oregon.

In 2018, The Oregon Department of Energy's *Biogas and Renewable Natural Gas Inventory SB334 (2017): 2018 Report to the Oregon Legislature* found that while Oregon has much untapped in-state potential RNG resources, key barriers to producing and utilizing biogas and RNG in the state included: multiple financial and regulatory barriers, as well as a lack of familiarity and information on the technology and market barriers. SB 98 can play an important role in beginning to overcome many of these barriers. Importantly, the program proposed in SB98 will increase demand for RNG, leading to direct support for the development of RNG and associated facilities. This demand is particularly urgent given that fossil-based natural gas is currently very inexpensive. Borrowing from successes we've seen nationally in the electricity sector, the proposed legislation would build a market by providing incremental support through

fixed interim targets. The market certainty and stability this creates is extremely helpful for project developers, like 3Degrees, who seek opportunities to replicate successful projects at competitive prices.

We all know that reducing emissions is important. The Legislature is considering many important bills intended to make this happen. SB98 is one piece of the puzzle and we urge you support its passage.

Thank you for your consideration,

A handwritten signature in black ink that reads "Adam Capage". The signature is written in a cursive, flowing style.

Adam Capage  
Vice President, Corporate and Government Affairs