

**Woodgrain Millwork, Inc.**  
**Lumber and Composites Division**  
**1917 Jackson Ave.**  
**La Grande, Oregon 97850**



March 6, 2019

Joint Committee on Carbon Reduction  
Oregon State Legislature  
900 Court St. NE  
Salem, OR 97301

**RE: HB 2020 – Carbon Cap and Trade**

Dear Senator Michael Dembrow and Representative Karin Power:

I am writing to you in regards to the proposed House Bill 2020 regarding Carbon Cap and Trade. Woodgrain is committed to environmental stewardship and our manufacturing facilities fall well below the allowable CO2 limits in this bill. I am very concerned about the effect that this bill will have on the rural manufacturing facilities that Woodgrain currently operates in Northeast Oregon and believe strongly that as currently written will have little to no impact on the reduction of greenhouse gas. These three facilities employ approximately 250 direct personnel and are responsible for approximately 700 indirect jobs in these rural communities. The Carbon Cap and Trade bill will have devastating effects on the local economy in Northeast Oregon because of the increased natural gas and fuel prices. These facilities do not have the ability pass along the increased costs to our customers as our competitors in Washington and Idaho will not have these increased costs. As these increased costs will directly hit our bottom line they will be extremely detrimental to the sustainability of these important facilities and the local economy.

Woodgrain has and would like to continue to be a significant employer in rural Oregon but needs the right environment to succeed. Woodgrain began in Utah in 1954 and was brought to Oregon in 1968 under Dame Lumber and Molding Company. The company became Woodgrain Millwork, Inc. in 1988 and operated facilities in White City, Lakeview, Prineville, and now operates three manufacturing facilities in Northeast Oregon in La Grande and Pilot Rock. Woodgrain prides itself on its longevity and ability to provide jobs and opportunities in rural communities for local citizens.

Our Northeast Oregon facilities have a long history of operating in the area, with the facilities being operation for over 50 years and providing multiple generations with the opportunity to live and work in the area. These communities have built and thrived around these facilities and have worked hard to be environmentally conscious in the operations of these facilities which operate well below the carbon cap of 25,000 metric tons. The effects of the increased prices for natural gas and fuel for raw materials will detrimentally impact these facilities and we are unable to pass these increases onto our customers. These excess costs risk the sustainability of these facilities.

Woodgrain is committed to environmental stewardship and reducing the impacts of climate change and that is why we are asking you to slow down and take the time to properly craft a truly effective carbon reduction bill that will benefit rural communities and prioritize any revenue generated to support these affected communities. These facilities are adaptable but require very skilled management and decisions to be sustainable and competitive in the industry. Please do not damage what these communities have spent years building and maintaining for the small impact that this bill will have on climate change. Taking the time to truly evaluate the opportunities for carbon reduction will take time but we hope to see this as a model for other communities and states to emulate. Rushing into a program that does not have a true impact on carbon emissions is imprudent and will ultimately damage Oregon.

Sincerely,



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CC:

Senator Cliff Bentz,  
Representative David Brock Smith  
Senator Lee Beyer  
Senator Fred Girod  
Senator Jeff Golden  
Senator Alan Olsen  
Senator Kathleen Taylor  
Representative Daniel Bonham  
Representative Shelly Boshart Davis  
Representative Ken Helm  
Representative John Lively  
Representative Pam Marsh