

Submitter: John Perona
On Behalf Of:
Committee: Joint Committee On Transportation
Measure: HB4141

I am a professor of Environmental Science and Law at PSU and author of *From Knowledge to Power: The Comprehensive Handbook for Climate Science and Advocacy*. A colleague and I have published an educational blog on Renewable Diesel (RD) that supports the technology and lays out some of the important questions for the legislature to consider -

<https://fromknowledgetopower.com/renewable-diesel-for-oregon/>

I write as a strong supporter of RD technology although I am neutral on this particular bill for the reasons stated below.

First, it would make more sense to have the studies be done before enacting hard limits. For example, the legislature could enact a mandate for a modest increase in RD volumes for the coming year, while the studies addressing RD supply are done. These studies should not take very long.

Next, some attention should be paid explicitly to how the bill will dovetail with the expanding Clean Fuels Program. Given diesel's significant contribution to total transportation emissions, it is clear that the mandates in this bill are much stronger than the CFP emissions reductions requirements. Why the discrepancy?

Next, it is clear that Oregon's potential to produce RD from oil-rich crops is nowhere near enough to meet this bill's mandates. For example, soybean yields 48 gallons of oil per acre and sunflower yields 102 gallons per acre. Oregon devotes 16 million acres to farmland. It is not difficult to calculate, from these numbers, that even a modest 20% replacement of the over 700 million gallons of fossil diesel burned last year would require repurposing of millions of acres of land. Supply will have to come from Oregon production of waste oils and animal fats, and from out of state.

Next, section 3 of the bill refers to supply "in the state". Does this mean that the bill's authors intend for RD supply to be met only from in-state sources? Presumably not, but this ambiguity in the language should be corrected.

Finally, other jurisdictions, especially California, are similarly planning expansion of RD. In fact, California is constructing several very large facilities to refine the fuel, while Oregon's capacity for refinement is small. If supply is short, demand will drive up price, and this will result in section 5 of this bill coming into play. Backlash could develop. This is too important to get wrong. I urge careful, rigorous and realistic study of supply potential so that we have some clearer idea of how much we can expect

RD to provide. A 2015 study from the International Council on Clean Transportation may be a good starting point: https://theicct.org/wp-content/uploads/2021/06/PacificCoastRegionLCF_Jan2015.pdf

Thanks very much for considering my comments.