

Submitter: Alicia Hudson  
On Behalf Of:  
Committee: Joint Committee On Transportation  
Measure: HB4141

Joint Transportation Committee Members:

I, as an owner of a diesel car, diesel truck, and diesel farm equipment oppose HB 4141. The timeline for this bill is not realistic. According to the US Dept. of Energy five plants produce renewable diesel in the United States, with a combined capacity of over 590 million gallons per year. Currently, nearly all domestically produced and imported renewable diesel is used in California. Current industry estimates are that the U.S. Energy Information Administration (EIA) estimates for production by 2025 are about double the predicted actual production.

"Achieving EIA predictions would be "exceedingly difficult" and would likely require relying heavily on feedstock imports and a very significant reduction in production of biodiesel - a biofuel made from similar feedstocks but blended with petroleum-based diesel - according to Chris Malins, who authored the report backed by the International Council on Clean Transportation.

Achieving EIA forecasts would require an increase of 17 million metric tons of additional demand for fats, oils and greases for renewable diesel, largely by diverting waste oils and fats from traditional biodiesel production, raising U.S. soy oil production and increasing U.S. vegetable oil imports, the report said."

Due to the limited supply, prices would be higher than they already are now. I farm in Washington County and often experience higher production costs than other areas of the state. The current timeline in HB 4141 would raise the cost of fuel, feed, and reduce my ability to provide for my family and my customers. I support the use of renewable diesel. However with the unpredictable supply chain and unknown availability, this bill could end many family farms.

In addition Oregon already provides incentives and regulations to drive more renewable transportation energy sources into Oregon.

In 2015, the Oregon Legislature passed the Clean Fuels Program that, through a regulatory framework, incentivizes the sale of renewable diesel.

Pursuant to the Governor's Executive Order 20-04, the Department of Environmental Quality is already considering a rule that would more than double the clean fuels standard and make fuels like Renewable Diesel even more valuable.

The Environmental Quality Commission adopted the Climate Protection Program that creates a preference for fuels like Renewable Diesel .

Renewable Diesel faces significant cost competitiveness and supply challenges that have not been addressed by the bill. There continues to be a disconnect between the available supply and Oregon's demand. Today, not everyone can purchase Renewable Diesel due to the supply and storage constraints.

Based on existing data, there is almost no way to know whether those realities will change. For purposes of a reference point, in 2019, Oregonians used over 719 million gallons of diesel. By comparison, less than 17 million gallons of Renewable Diesel and 60 million gallons of biodiesel were brought into the state. Meaning, Renewable Diesel amounted to less than 3% of the fuel used in diesel engines. We simply do not have the Renewable Diesel supply and infrastructure for a fuel transition of this size and magnitude.

Before Oregon takes this risky step in removing critical fuels from the market, we must better understand Oregon's opportunity for new and emerging fuels and technologies that can ensure Oregon remains economically competitive.

[https://afdc.energy.gov/fuels/emerging\\_hydrocarbon.html](https://afdc.energy.gov/fuels/emerging_hydrocarbon.html)

<https://www.reuters.com/business/energy/less-than-half-projected-us-renewable-diesel-output-likely-by-2025-study-2022-01-18/>