



March 2, 2023

Senate Committee on Energy and Environment
Oregon State Capitol
900 Court St. NE
Salem Oregon 97301

Re: SB 803 - Support

Dear Chair Sollman and Members of the Committee,

Climate Solutions is a regional non-profit working to accelerate clean energy solutions to the climate crisis. **We write today to support SB 803.**

While Oregon is making good progress on its transition to electric vehicles, Oregon's transportation sector is still responsible for nearly 40 percent of our state's greenhouse gas (GHG) emissions. We need many solutions to tackle climate pollution in the transportation sector, and replacing oil, whether its gasoline or diesel, with zero emission vehicles wherever possible and using cleaner fuels for the remaining vehicles on the roads is the single biggest way to reduce these emissions.

Thankfully, in the light duty vehicle sector (i.e., passenger cars), the tide is turning, and electric vehicles are increasingly becoming the new normal. Car manufacturers are investing billions in electric vehicle technology and models and the pricing for the vehicles is coming down as the sector scales. Oregon also is spending hundreds of millions on charging infrastructure.

In Oregon, diesel trucks, buses, and delivery vans currently pump out 70% of smog pollution (NOx), 64% of black carbon, and nearly half (42%) of climate pollution from transportation, yet they're fewer than 10% of all vehicles on the road. While Oregon has passed significant legislation and rules in the past five years to accelerate the state's adoption of electric vehicles, the medium- and heavy-duty (MHD) sector is not nearly as far along the transition to electric as passenger cars. This is in large part due to the upfront cost of zero emission semi-trucks, delivery trucks, transit and school buses. Other than school and transit bus markets, few electric options are available yet though that will change rapidly in the near future.

As we push to accelerate the availability of medium and heavy duty electric vehicles and other zero-emission vehicles (see e.g. HB 2714, which would provide rebates for electric medium and heavy duty vehicles), we have the opportunity to greatly reduce carbon emissions in the short-term by replacing our current use of diesel fuel with renewable diesel. Renewable diesel helps to both reduce greenhouse gas emissions and reduce air pollution. Medium and heavy duty vehicles account for 42 percent of all greenhouse gas emissions from the on-road vehicle fleet. Switching to renewable diesel means we can dramatically reduce our greenhouse gas emissions in the trucking sector while we continue transitioning to zero emission vehicles.

Based on DEQ's clean fuels program information, renewable diesel sold in Oregon averages at least 60 percent less GHG than petroleum diesel. Renewable diesel also improves air quality compared to petroleum diesel because it emits less particulate matter and nitrous oxide (two harmful byproducts of diesel exhaust known to cause cancer, asthma, and other illnesses).



Renewable Diesel is a “drop in” fuel meaning that we do not have to invest in new infrastructure or special vehicles to use this fuel and reap the benefits of it. All diesel engines can run on renewable diesel without needing special equipment or engine modification.

Most importantly, thanks to Oregon’s clean fuels program, renewable diesel can be purchased in Oregon for essentially the same price as diesel fuel! Many public and some private fleets are using renewable diesel at little to no added upfront cost as compared to petroleum diesel and actually saving money from a life cycle perspective due to lower maintenance costs.

TriMet example: TriMet is a tremendous success story for using renewable diesel as a bridge fuel to electric. TriMet is Oregon’s largest diesel consumer and has committed to only buy electric or other non emitting buses going forward. They already have purchased and are using dozens of electric buses. However, a complete transition to an all electric bus fleet will take 15 to 20 years. During this transition, TriMet has shifted to fueling all their legacy diesel buses with a 99% renewable diesel blend. In just six months, TriMet’s switch to renewable diesel blend coupled with using renewable electricity to fuel their growing fleet of electric buses has cut the transit agency’s emissions by 63%. With these two moves, TriMet expects to avoid more than 155 million pounds of greenhouse gas emissions every year. That’s the equivalent of taking more than 15,000 cars off the road.

Suggestion on Carbon Intensity: In December 2022, the City of Portland adopted a diesel fuel phase out program similar to what SB 803 proposes statewide. The city’s program will provide a useful test case in the transition to renewable diesel. The Portland program also requires that qualifying renewable diesel must have a 40 carbon intensity score or less. That will ensure that all qualifying renewable diesel is at least a 60% GHG reduction, and as noted, the renewable diesel currently serving Oregon customers averages a 40 carbon intensity score or lower. Accordingly, we do suggest that SB 803 be amended to require a 40 carbon intensity score or less (as compared to the 60 carbon intensity score currently required in the bill).

SB 803 has been carefully crafted to phase in the elimination of diesel fuel in Oregon, starting with the Portland Metro area, and eventually expanding to western Oregon and then finally to eastern Oregon. That will provide more than enough time to ensure there are adequate supplies of renewable diesel to serve Oregon. The bill also has offramps in the unlikely event that supply is not available or the cost of the fuel is higher than diesel fuel.

This is a reasonable bill that has been carefully tailored to support the phase out of petroleum diesel. What a tremendous next step for Oregon to take! Please support SB 803 and thank you for your consideration of these comments.

Sincerely,

Meredith Connolly
Oregon Director
Climate Solutions