



OREGON HOUSE OF REPRESENTATIVES

March 2, 2023

RE: Testimony in opposition to SB 803

Chair Sollman and members of the committee,

Thank you for the opportunity to submit testimony in opposition to SB 803.

The Legislature has passed many regulations and incentives to increase the use of cleaner fuels.

In 2015, the Oregon Legislature passed the Clean Fuels Program that, through a regulatory framework, incentivizes the sale of renewable diesel. Under Governor Brown'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. Additionally, the Environmental Quality Commission adopted the Climate Protection Program that creates a preference for fuels like renewable diesel

This bill would completely phase out petroleum diesel in 7 years, with no plan to address renewable diesel supply and competitiveness challenges.

In theory, I have no objection to renewable diesel. But it is simply not available, and because of that, it is costly. Banning the entire petroleum diesel market will not just magically create the renewable diesel market. There are technological and logistical challenges in the renewable diesel market.

There continues to be a disconnect between the available supply and Oregon's demand. Today, not everyone can purchase renewable diesel due to 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. 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.

Respectfully submitted into the Senate record,

A handwritten signature in blue ink that reads "Shelly Boshart Davis". The signature is written in a cursive, flowing style.

Shelly Boshart Davis
Oregon State Representative
District 15