

November 6, 2014

Dear Oregon Environmental Quality Commission:

As business leaders in Oregon, we write in support of the proposed “phase two” rules for the Oregon Clean Fuels Program. Many of our companies supported the legislation that authorized development of a low carbon fuel standard, and we are eager to see the program fully implemented.

We appreciate that the Clean Fuels Program (CFP) is a performance-based standard that is technology-neutral. It allows different consumers and businesses to find the right transportation solution for their needs. It rewards continuous improvement and innovation. And it harnesses the market to bring about the most cost competitive options. It gives end users more fuel choice. When there is choice in the market, that creates competition. And competition brings costs down. That’s a win for Oregon businesses and consumers.

The Clean Fuels Program addresses two critical issues in Oregon: 1) It leads to economic development and job creation, and 2) It reduces carbon pollution to improve public health and mitigate climate risk to business supply chains.

Creates economic development and job creation

Oregon neither produces nor refines petroleum in the state, resulting in billions of dollars leaving the state each year for purchasing petroleum-based fuels. The CFP will help incentivize development of local fuel production that creates jobs and economic opportunity for communities across the state, including in rural Oregon.

Oregon has electric vehicle and charging companies, sustainable biofuel producers, and the opportunity to build out infrastructure for natural gas and autogas fleets around the state. We have biomass supply chains from agriculture and timber communities that can support the next generation of renewable fuels. We have a workforce of engineers and electricians, welders and administrative workers to build an electric charging, natural gas, and propane infrastructure for fleets of clean, electric, natural gas and autogas-powered vehicles. And we have a track record as a leader in clean energy with innovators and entrepreneurs ready to invest.

Reduces Carbon Pollution

Expanding clean fuel options and reducing carbon emissions from gasoline and diesel will directly reduce carbon and greenhouse gas emissions that cause costly

public health issues for Oregonians including asthma, cancer and cardiovascular disease. Reducing these emissions also allows Oregon leaders to do our part to mitigate climate risks; we recognize that the severe weather, droughts and forest fire brought on by climate change create additional risk and costs for Oregon businesses. It is critical that Oregon show leadership in addressing climate change. Oregon's swift adoption of the Clean Fuels Program will put Oregon in alignment with California and British Columbia (with Washington soon to follow), creating a west coast clean fuels market place and showing regional leadership that will help lead to national action.

As the EQC evaluates the final rules for this program, we urge the Environmental Quality Commission to adopt a strong set of rules in January and ensure that the safety nets not create additional uncertainty for clean fuel providers or be so restrictive that they stymie innovation in the development of new fuels. The business community needs certainty with Oregon making a commitment to implement this program.

Thank you for your leadership in developing this program. We strongly support the Clean Fuels Program and encourage full adoption of these rules in January.

Sincerely,

Robert Gootee
Moda Health



Steve Clem
Skanska International



Adam Winston
Waste Management



Tom Koehler
Pacific Ethanol



Pacific Ethanol, Inc.



Gavin Carpenter
SeSequential Biodiesel

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