

OREGON Fuels Association Report



Krista Williams
OFA Executive Director



OFA

Welcome to Summer!

As summer began, we looked forward to one of the highlights of the year — bringing together fuel marketers, industry partners, and friends from across Oregon at the Oregon Fuels Association’s Annual Conference. This season provides an opportunity to reconnect, share ideas, and discuss the issues shaping our industry while strengthening the relationships that make our association successful.

We were excited to welcome everyone to the **OFA Annual Sunriver Conference, July 12–14**. This year’s program featured timely educational sessions, valuable networking opportunities, and an outstanding lineup of speakers. We were especially honored to welcome **Greg “Boss” Wooldridge**, three-time Commander and Flight Leader of the **U.S. Navy Blue Angels**, as our keynote speaker. His presentation on leadership, teamwork, and achieving peak performance was an inspiring and memorable conference highlight.



Thank you for your continued support of the Oregon Fuels Association. We were glad to see you in Sunriver!

Energy Marketers of America – Day on the Hill

This spring, the Oregon Fuels Association proudly represented our members during the **Energy Marketers of America (EMA) Day on the Hill** in Washington, D.C.



Representing Oregon were **EMA Director Mark Fitz**, **Vice President Matthew Jubitz**, and **Executive Director Krista Williams**, who met with **two U.S. Senators and four Members of Congress** to discuss issues affecting Oregon’s fuel industry and consumers. Conversations focused on the factors influencing fuel prices, regulatory challenges, and policies that can help maintain a reliable and affordable fuel supply for Oregonians.

FUELING OREGON



In between congressional meetings, the Oregon delegation enjoyed lunch at the **Altria Corporate Offices** overlooking Constitution Avenue.

Advocating directly with federal lawmakers remains one of OFA's most important responsibilities, ensuring the voice of Oregon's fuel marketers is heard on issues that impact our businesses and the customers we serve.



Legislative Update

*Prepared by OFA Lobbyists
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Primary Election Results – Looking Ahead



Oregon's May Primary Election resulted in several victories for candidates aligned with the more progressive wing of the Democratic Party, including the defeat of Senator Janeen Sollman, Chair of the Senate Environment and Natural Resources Committee. The election ensures new leadership of the committee and may lead to increased attention on climate, energy transition, and environmental policy proposals affecting fuel suppliers and traditional energy businesses.

These election results also increase the importance of upcoming legislative races, as the composition of the Legislature will continue to shape Oregon's energy and transportation policies.

Diesel Taxation Implementation

ODOT has requested OFA's participation in developing rules that will move the point of diesel taxation to align with Oregon's motor vehicle fuel tax system by **July 1, 2029**.

This collaborative effort gives OFA the opportunity to help develop practical regulations that work for both the state and our industry.



Transportation Vision Workgroup

Oregon voters overwhelmingly rejected Governor Kotek's transportation funding proposal by an **83% to 17% margin**. The outcome will likely influence future transportation funding discussions and may make lawmakers more cautious about advancing significant tax increases or ballot referrals.

Despite the election results, the Governor remains committed to pursuing a transportation package during the 2027 Legislative Session.

At the Governor's request, OFA has joined the **Transportation Vision Workgroup's Maintenance, Operations, Preservation, and Emergency Response Subgroup**. Our priority is to ensure local governments continue to obtain voter approval before implementing new local transportation taxes.

Clean Fuels Program (CFP)

The Department of Environmental Quality continues updating Oregon's Clean Fuels Program with the goal of achieving at least a **50% reduction in carbon intensity by 2040**.

While Oregon is seeking greater alignment with California, Washington, and British Columbia, OFA remains concerned that increasingly aggressive carbon intensity standards could significantly increase fuel costs for Oregon consumers before affordable alternatives become widely available.

Climate Protection Program (CPP)

DEQ has established a Rules Advisory Committee to develop regulations for **Emissions Intensive, Trade Exposed (EITE)** manufacturers beginning in 2028.

OFA maintains a seat on the committee and continues working with WSPA and Oregon's natural gas utilities to ensure fuel suppliers are not disproportionately affected by future emissions reduction requirements.

We continue advocating for an allowance allocation framework that provides a fair and workable compliance pathway while protecting the competitiveness of Oregon businesses.

CEI Hub Fuel Storage Proposal

The City of Portland has proposed a regulation requiring terminal operators within the CEI Hub to reduce stored fuel inventories by **20% beginning in 2035**.

Because approximately **90% of Oregon's fuel supply passes through the CEI Hub**, the proposal raises significant concerns regarding fuel reliability and emergency preparedness. Oregon currently maintains an estimated **four to five days of fuel storage**, and reducing storage capacity could impact emergency response efforts and communities throughout the state.

OFA continues working with WSPA and other industry partners to address the proposal while also participating in discussions

regarding expanded fuel storage opportunities outside the Portland metropolitan area to improve statewide resiliency.

DEQ Temporary Fuel Waiver

OFA recently notified members of DEQ's temporary waiver allowing the sale of gasoline blends containing **E15** and permitting higher Reid Vapor Pressure (RVP) levels.

The waiver mirrors the EPA's nationwide emergency fuel waiver and is intended to help maintain an adequate fuel supply during the summer driving season.

Self-Service Fueling Update

The Oregon State Fire Marshal has reported a significant increase in complaints related to Oregon's self-service and full-service fueling requirements. If current trends continue, complaints and violations could increase by more than **200% during 2026**.

While it remains unclear whether additional enforcement efforts will occur, OFA has informed the Fire Marshal's Office that members have been notified of the increase in complaints and continue working to comply with Oregon law. We will closely monitor developments and keep members informed of any changes.



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