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Biodiesel and the RFS:

Made from recycled cooking oil, plant oils and animal fats, biodiesel is the first and only EPA-designated Advanced Biofuel with commercial-scale production across the country. To date, it has accounted for the vast majority of Advanced Biofuel delivered under the Renewable Fuel Standard (RFS). With refineries in nearly every state of the country and tremendous untapped production capacity, the industry is poised for expansion under a strong and growing RFS.

In May, the EPA proposed a 2018 RFS volume for biodiesel (Biomass-based Diesel) of 2.1 billion gallons, an increase of just 100 million gallons over the 2017 volume of 2 billion gallons. This proposal significantly understates the industry's capacity for growth. The industry is on pace to exceed 2.1 billion gallons in 2016, and NBB is calling for the EPA to strengthen the proposal with a biodiesel volume of at least 2.5 billion gallons for 2018, along with additional growth above the proposed 4 billion gallons in the overall Advanced Biofuel category.

Please use the following points to advocate for stronger RFS volumes:

- **Missed Opportunity:** The RFS was created to drive investment and economic activity in the production of renewable fuels, particularly Advanced Biofuels like biodiesel and renewable diesel. The proposal as it stands is not strong enough to drive significant investment and is a missed opportunity for capitalizing on biodiesel benefits, including job creation, emissions reductions and improvements to U.S. energy security.
- **Jobs and Economic Impact:** With plants in nearly every state, biodiesel production is creating jobs across the country. Every 100 million gallons of increased biodiesel production supports some 3,200 jobs. Producers nationwide are poised to expand production and hire new workers with steady growth under the RFS.
- **Reducing Harmful and Costly Emissions:** According to the EPA, biodiesel reduces lifecycle greenhouse gas emissions by 57 percent to 86 percent compared to petroleum diesel. The California Air Resources Board recently corroborated this analysis with similar findings. With more than 10 billion gallons used through 2015, biodiesel has cut carbon pollution by 93.7 million metric tons – the same impact as removing more than 19.7 million passenger vehicles from America's roadways. Additionally, the EPA consistently cites tailpipe emissions from traditional diesel – primarily from older trucking fleets and other heavy-duty vehicles – as a major national health hazard. Substituting higher amounts of biodiesel for traditional diesel fuel is the simplest, most effective way to immediately reduce diesel emissions.
- **Improving U.S. Energy Security:** The biodiesel industry is increasing domestic energy production, diversifying our fuel supplies and expanding domestic refining capacity so that we're not so vulnerable to global oil markets and associated refining bottlenecks. This improves U.S. energy security because despite increased U.S. oil production, petroleum is a global commodity, and U.S. consumers will continue to be at the mercy of heavily manipulated global petroleum prices until we have diversity in the market. Recent decisions from OPEC to steer those markets shows the continued danger to our economy and national security from our dependence on petroleum.
- **Ensuring Domestic Production Under RFS:** Biodiesel is the only domestic EPA-designated Advanced Biofuel delivering significant volumes under the RFS. Still, we have seen increasing imports of biodiesel, and market experts expect imports to increase significantly after a recent decision from the EPA to

streamline biodiesel imports from Argentina under the RFS. The EPA should account for this increased supply by further growing biodiesel and overall Advanced standards.

- **Addressing the Diesel Market:** It was always the intent of Congress that the RFS address not just the gasoline market but also the diesel pool, which fuels pivotal transportation and industrial applications such as long-haul trucks, buses, barges, and heavy machinery and which accounts for a significant share of the nation's air pollution in the transportation sector. You simply can't have effective renewable fuels policy without addressing the diesel market with diesel alternatives. Additionally, growing the Biomass-based Diesel pool does not contribute to the ethanol "blendwall."
- **Helping Consumers at the Pump:** Biodiesel is a cost-effective renewable alternative to petroleum diesel that, with help from the Renewable Fuel Standard (RFS), is saving diesel consumers money. Each gallon of RFS-qualified biodiesel is accompanied by a RIN credit. The value of that credit, which is traded on the open market, is factored into the value of each gallon of biodiesel. This added value allows producers to sell biodiesel at a lower price to fuel distributors or fleet managers, who can then pass along savings to consumers.
- **Feedstock Diversity:** Biodiesel is one of the most diverse fuels in the world, produced using a broad mix of resources including recycled cooking oil, agricultural oils and animal fats. This has helped shape a nimble industry that is constantly searching for new technologies and feedstocks. Industry demand for new alternatives is stimulating, and often financing, research on new feedstocks such as algae and camelina.