

United States Senate

WASHINGTON, DC 20510

July 20, 2015

The Honorable Gina McCarthy
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator McCarthy:

After significant delays in establishing biodiesel volumes under the Renewable Fuel Standard (RFS), we were pleased to see the Environmental Protection Agency (EPA) recently move forward with a new proposed rule. While the proposal is a positive step for biodiesel, we remain concerned that the proposed biodiesel volumes for 2016 and 2017 fail to adequately recognize the domestic biodiesel industry's production capacity and its ability to increase production.

This new four-year proposal for biodiesel volumes from 2014 through 2017 is a much needed step toward restoring stability and certainty to the domestic biodiesel industry. EPA's actions over the past year have led to tremendous uncertainty and hardship for U.S. biodiesel producers and thousands of their employees. As a result, many plants have been forced to reduce production and some have been forced to shut down, leading to layoffs and lost economic productivity.

While the proposal put forward by EPA is an improvement over the November 2013 proposal, it would only grow biodiesel volumes to 1.9 billion gallons by 2017 which is just slightly more than the industry's actual production of more than 1.8 billion gallons in 2013. We believe the domestic biodiesel industry is fully capable of additional growth and urge the EPA to revise the volumes in the final rule. Based on the biodiesel industry's projections for future capacity, growth, and demand, we believe increases to at least 2 billion gallons in 2016 and at least 2.3 billion gallons in 2017 would be reasonable and prudent.

Congress created the RFS to incentivize domestic production of clean renewable fuels, while still allowing imports to participate in the RFS. As a result, we have seen a steady stream of imported biodiesel participate in the program. Since EPA announced its new proposed rule, imports bound for the U.S. have increased significantly and are expected to keep growing. EPA's decision earlier this year to allow imports from Argentinean renewable fuel producers to participate in the RFS must be taken into account, and biodiesel volumes must be set at sufficient levels to prevent displacement of domestic production.


Biodiesel is the first EPA-designated advanced biofuel under the RFS to reach commercial scale production nationwide. It is exceeding the goals that Congress envisioned when it created the RFS with bipartisan support in 2005, while creating jobs, generating tax revenues, reducing pollution, and improving energy security. We urge you to support continued growth in the

domestic biodiesel industry by making reasonable and sustainable increases in the biodiesel volumes for 2016 and 2017 in the final rule.

Sincerely,



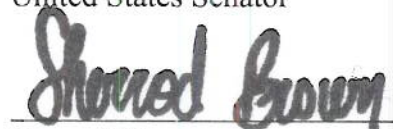
Charles E. Grassley
United States Senator



Roy Blunt
United States Senator



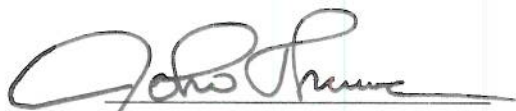
Claire McCaskill
United States Senator



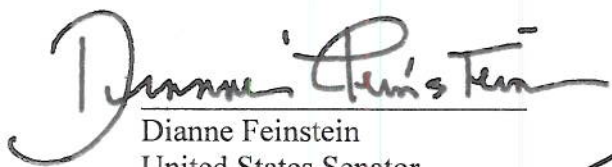
Sherrod Brown
United States Senator



Robert P. Casey, Jr.
United States Senator



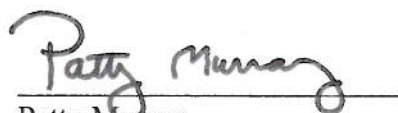
John Thune
United States Senator



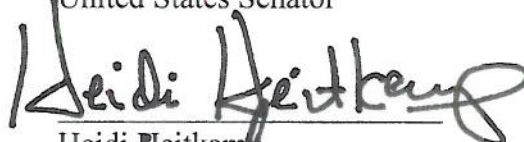
Dianne Feinstein
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Mazie K. Hirono
United States Senator




Patty Murray
United States Senator



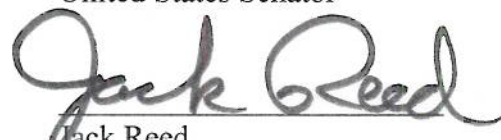
Heidi Heitkamp
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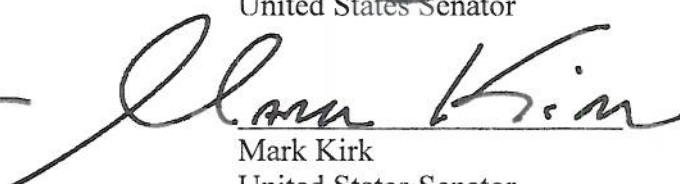
Sheldon Whitehouse
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Amy Klobuchar
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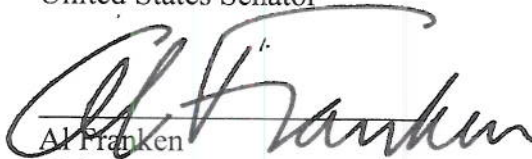
Dick Durbin
United States Senator



Joe Donnelly
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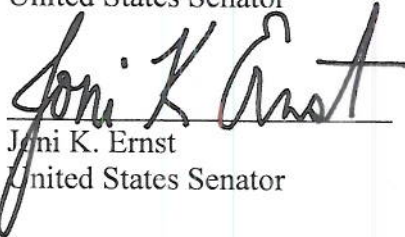
Debbie Stabenow
United States Senator



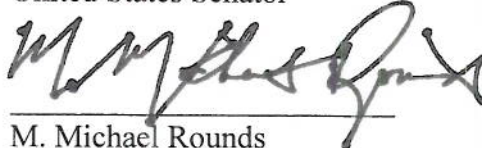
Al Franken
United States Senator



Jeanne Shaheen
United States Senator



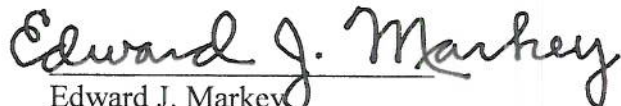
Joni K. Ernst
United States Senator



M. Michael Rounds
United States Senator



Barbara Boxer
United States Senator



Edward J. Markey
United States Senator



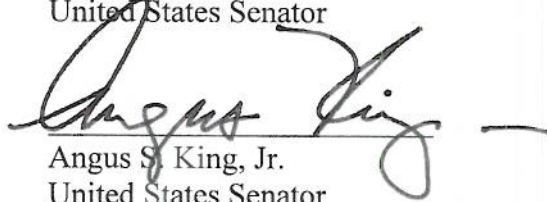
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Kirsten Gillibrand
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Tammy Baldwin
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Angus S. King, Jr.
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Gary C. Peters
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John Hoeven
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United States Senator



Pat Roberts
United States Senator



Bernard Sanders
United States Senator



Jeffrey A. Merkley
United States Senator



Maria Cantwell
United States Senator



Susan M. Collins
United States Senator

cc: The Honorable Tom Vilsack, Secretary, U.S. Department of Agriculture
The Honorable Shaun Donovan, Director, Office of Management and Budget