May XX, 2018

The Honorable Donald J. Trump
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President,

Thank you for your continued support for rural America, agriculture, and the jobs and industries that support local economic prosperity. We appreciate your ongoing efforts to champion the entrepreneurs, farmers, and manufacturers working to grow our nation’s domestic renewable energy industry through continued support of the Renewable Fuel Standard.

We applaud your recent efforts to maintain the integrity of the RFS by rejecting any cap on RINs and for expressing support for the expanded use of E15 ethanol year-round. Both decisions are a step in the right direction for farmers, biofuel producers, and consumers.

However, while allowing the sale of E15 year-round is a positive outcome for ethanol production and use, it is imperative to recognize that this win for rural America does not benefit the hundreds of biodiesel producers across the country. Biodiesel is a renewable, clean-burning diesel replacement made from soybean oil, recycled cooking oil, and animal fats in locations as diverse as Texas, Rhode Island, Oregon, Iowa, and nearly every state in between.

To ensure the biodiesel industry is allowed to grow under the RFS as Congress intended, the Environmental Protection Agency needs to commit to follow the statute and increase the 2019 advanced volumes by at least 500 million gallons and include growth in volumes for biomass-based diesel for 2020. The EPA set the volume obligations for 2019 at 2.1 billion gallons, but our industry and market have consistently been hundreds of millions of gallons above EPA’s levels. An increase above 2.1 billion gallons is certainly reasonable and attainable as the U.S. market for biomass-based diesel was 2.65 billion in 2017 and 2.9 billion in 2016. The current rulemaking is an ideal opportunity for your administration to demonstrate its direct support for biodiesel and we strongly encourage you to do so by increasing our minimum volumes under the program.

Again, we are pleased to see the idea of a cap on RIN prices, which would have been detrimental to the program’s viability, is now dead. We also echo the sentiments of many others on the issue of the small refinery waivers that have been recently issued in abundance. These handouts to large, profitable refiners has a direct and lasting negative impact on biodiesel producers, renderers, and farmers. Slowing the granting of these waivers moving forward and reallocating the volumes waived back to other obligated parties will help bring stability within the program.

The biodiesel industry supports roughly 64,000 jobs, $11.42 billion in economic impact, and $2.54 billion in wages paid annually. In many rural areas of the country, biodiesel plants are a driving force of the local economy. It is a fuel made right here in American manufacturing plants from an increasingly diverse mix of resources. The EPA has recognized its environmental
benefits by classifying it as an advanced biofuel, making biodiesel the leading commercial-scale U.S. fuel produced nationwide to meet the agency’s criteria. According to the EPA, biodiesel reduces greenhouse gas emissions by 57 to 86 percent when compared to petroleum diesel.

Actions taken by the EPA that undermine the integrity of the RFS and stand in direct contrast to your pledge of support to rural America can be righted with a simple solution – follow the law by increasing advanced biofuels volumes in 2019 and increase volumes of biomass-based diesel in 2020. This common-sense action will support American biodiesel producers, diversify domestic refining capacity, and provide much-needed economic support to rural America.

We look forward to working with you and Administrator Pruitt to support a strong RFS and carry out the vision you outlined to fulfill our energy needs while growing our economy. Thank you for your consideration.

Sincerely,

Donnell Rehagen
CEO
National Biodiesel Board

(Add member company logos.)