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The Honorable John Shimkus
Chairman
Subcommittee on the Environment
Committee on Energy and Commerce
U.S. House of Representatives

The Honorable Paul Tonko
Ranking Member
Subcommittee on the Environment
Committee on Energy and Commerce
U.S. House of Representatives

Dear Chairman Shimkus and Ranking Member Tonko:

On behalf of the National Biodiesel Board, I would like to take this opportunity to provide comments on the recent hearing entitled, "High Octane Fuels and High Efficiency Vehicles: Challenges and Opportunities." The National Biodiesel Board is the national trade association representing America's first advanced biofuel – biodiesel – comprised of state, national and international feedstock and feedstock processor organizations, biodiesel suppliers and producers, American renewable hydrocarbon diesel producers, fuel marketers and distributors, and technology providers.

The federal Renewable Fuel Standard, created by Congress in 2005 and substantially expanded in 2007, requires increasing volumes of advanced biofuels, such as biodiesel, each year. The renewable volume obligations are broken down into two overarching categories: total renewable fuels and advanced biofuels. Biomass-based diesel and cellulosic biofuels are fuels nested within the advanced biofuels category; they can qualify both as their nested fuel type and as an advanced biofuel. The RFS has worked as Congress intended by diversifying the fuel supply while driving investment, innovation and development of biofuels in the U.S.

Congress intended that the RFS address not just the gasoline market but also the diesel pool. The diesel market includes pivotal transportation and industrial applications – such as long-haul trucks, buses, barges and heavy machinery—and accounts for a significant share of the nation's air pollution in the transportation sector. Higher volumes of biomass-based diesel use have created economic benefits and thousands of jobs, while also providing environmental benefits and improving U.S. energy security.

For these reasons, it's critical that any consideration of an octane program recognize that biodiesel, like ethanol, is a critical, homegrown, renewable fuel, but unlike ethanol, does not affect the octane of a gallon of diesel fuel. Ethanol is produced primarily from fermentation of corn and cellulosic materials and is designed for use only in gasoline engines. Biodiesel is made from the oil and fat by-products of producing high quality proteins which help feed the world. It is a high BTU content fuel designed for use only in

diesel (compression ignition) engines. The consideration of high octane fuels is explicitly for gasoline and ethanol blended fuels and does not apply to diesel fuel and biodiesel blends.

Biodiesel is a renewable, clean burning, diesel fuel made from a diverse mix of resources, including agricultural oils such as soybean, camelina, and canola oil, as well as recycled cooking oil and animal fats. Based on performance standards established by law, the U.S. Environmental Protection Agency (EPA) has defined biodiesel as an "advanced biofuel" – meaning it reduces greenhouse gas emissions by at least 50 percent when compared to petroleum diesel. There are biodiesel production facilities in nearly every state with consumers nationwide. Biodiesel is used for heavy-duty trucking, farm equipment, and fleets, such as emergency vehicles and buses.

Biodiesel is the nation's first domestically produced, commercially available advanced biofuel. It meets a strict fuel specification set forth by ASTM International – the official U.S. fuel-certification organization. Biodiesel is primarily used in blends of 5 percent to 20 percent and does not require special fuel pumps or engine modifications. In fact, the majority of automobile manufacturers support biodiesel blends up to 20 percent in their engine warranties. Renewable diesel is a fuel made from the same feedstocks as biodiesel but using a different process – one more similar to petroleum refining. The resulting product (renewable diesel) is chemically indistinguishable from petroleum diesel but made from renewable feedstocks.

As noted above, any discussion of creating a high octane program in lieu of the Renewable Fuel Standard would require a separate discussion and path forward for biomass-based diesel fuels. Should your committee further discuss a transition to a high octane fuel program in place of the RFS, the National Biodiesel Board and the biomass-based diesel industry would appreciate the opportunity to provide additional input.

Thank you for the opportunity to comment, and I look forward to working with you.

Sincerely,

Kurt A. Kovarik

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