August 23, 2018

The Honorable Andrew Wheeler
Acting Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Acting Administrator Wheeler:

We write in response to the Environmental Protection Agency’s (EPA) proposed Renewable Volume Obligations (RVOs) for advanced biofuel for calendar year 2019 and biomass-based diesel for calendar year 2020. We appreciate that the proposed volumes acknowledge the U.S. biodiesel industry’s demonstrated production capacity, which supports jobs and economies in rural communities across the nation. However, the proposal fails to include the necessary signals that EPA will ensure the annual RVOs are fully met. Therefore, we urge you to address this shortcoming in the final rule.

Biodiesel is the first EPA-designated advanced biofuel to reach commercial scale production nationwide. The biodiesel industry has met and exceeded the goals that Congress envisioned when it created the Renewable Fuel Standard (RFS) with bipartisan support. Additionally, biodiesel has consistently made up the majority of the annual advanced biofuel volumes. This ability to meet or exceed RVOs coupled with the substantial investments made by the biodiesel industry indicate that biodiesel can continue to grow in the near future. Importantly, every 500 million gallons of increased biodiesel production supports roughly 16,000 jobs, according to estimates.

EPA’s proposal would raise the biomass-based diesel volume for 2020 to 2.43 billion gallons and increase the advanced biofuel volume for 2019 to 4.88 billion gallons. While these proposed increases are encouraging, these volumes continue to underestimate the existing potential of the biodiesel and renewable diesel industries in our states. We believe the biodiesel industry can do more and that EPA should demonstrate more confidence in the RFS program’s ability to drive growth. Increasing biomass-based diesel and advance biofuel volumes would encourage investment in capacity and new fuel development.

Further, EPA must accurately account for small refiner economic hardship exemptions in the final rule. The proposed rule indicates EPA has not granted any such hardship exemptions for 2019 and therefore did not consider exemptions in the proposed volumes. EPA reportedly granted an unprecedented number of these exemptions for 2016 and 2017. It is estimated that these retroactive exemptions have reduced biomass-based diesel demand by almost 300 million gallons. It is critical that EPA appropriately account for any small refiner economic hardship exemptions that it reasonably expects to grant during the 2019 compliance year in the final rule, or EPA will not be able to fulfill its duty to ensure RVOs are met.
We have made great progress through the RFS in diversifying our nation’s fuel supply while creating and sustaining jobs, strengthening local economies, generating tax revenues, and improving energy security. We urge you to continue to increase annual RVOs for biomass-based diesel and advanced biofuel and to ensure that, once set, the annual RVOs are fully met.

Thank you for your consideration.

Sincerely,

Patty Murray
United States Senator

Heidi Heitkamp
United States Senator

Tammy Baldwin
United States Senator

Sherrod Brown
United States Senator

Robert P. Casey, Jr.
United States Senator

Catherine Cortez Masto
United States Senator

Roy Blunt
United States Senator

Charles E. Grassley
United States Senator

Richard Blumenthal
United States Senator

Maria Cantwell
United States Senator

Susan M. Collins
United States Senator

Joe Donnelly
United States Senator
Tammy Duckworth  
United States Senator

Joni K. Ernst  
United States Senator

Richard J. Durbin  
United States Senator

Dianne Feinstein  
United States Senator

Deb Fischer  
United States Senator

Margaret Wood Hassan  
United States Senator

Mazie K. Hirono  
United States Senator

John Hoeven  
United States Senator

Angus S. King, Jr.  
United States Senator

Amy Klobuchar  
United States Senator

Patrick Leahy  
United States Senator

Claire McCaskill  
United States Senator

Jeffrey A. Merkley  
United States Senator

Jerry Moran  
United States Senator
Christopher S. Murphy
United States Senator

Gary C. Peters
United States Senator

Jack Reed
United States Senator

Pat Roberts
United States Senator

Bernard Sanders
United States Senator

Jeanne Shaheen
United States Senator

Tina Smith
United States Senator

Debbie Stabenow
United States Senator

John Thune
United States Senator

Elizabeth Warren
United States Senator

Sheldon Whitehouse
United States Senator

Ron Wyden
United States Senator

Edward J. Markey
United States Senator