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Administrator Scott Pruitt Environmental Protection Agency William Jefferson Clinton Federal Building 1200 Pennsylvania Ave., NW Room 3000 Washington, DC 20460 Submitted via: <u>www.regulations.gov</u>

RE: Docket ID No. EPA-HQ-OAR-2017-0091

Proposed Renewable Fuel Standards for 2018, and the Biomass-Based Diesel Volumes for 2019

On behalf of the U.S. Canola Association (USCA), I welcome this opportunity to comment on the proposed Renewable Fuel Standards for 2018, and the Biomass-Based Diesel Volumes for 2019. Consistent with our U.S. biodiesel industry partners, the USCA urges EPA to increase the volumes for biomass-based diesel to 2.5 billion gallons for 2019 and to increase total Advanced Biofuels volumes to 4.75 billion gallons in 2018.

The U.S. Canola Association is a non-profit commodity organization whose mission is to increase domestic canola production and promote the establishment and maintenance of conditions favorable to growing, marketing, processing and using U.S. canola. The leading canola producing states in the U.S. include North Dakota, Oklahoma, Montana, Washington, Minnesota, Kansas, and Idaho. Canola has multiple uses and markets and is one of numerous feedstocks used to produce clean burning domestic biodiesel.

The U.S. biodiesel industry is an important market for canola producers, typically utilizing around one billion pounds of canola oil annually. The use of canola as a feedstock is based on the geographic location of the biodiesel production facilities in regions where canola is grown. Canola provides another feedstock option for biodiesel production that can be locally sourced in regions where other feedstocks are less prevalent or more costly. Canola oil is the feedstock for approximately 10 percent of the annual biomass-based diesel production, providing a valuable market for canola oil not utilized for food production.

Consistent with the intent of the RFS, canola biodiesel provides significant benefits to our national energy security, the environment, and the economy. Canola biodiesel contributes to the expansion and diversification of U.S. fuel and energy production, reduces emissions and improves air quality, and provides jobs and additional economic benefits, especially in rural communities.

The biodiesel industry has provided these benefits without significant disruption or adverse impacts to consumers. There are no limitations on using biodiesel blends throughout the diesel fuel market and vehicles are not limited by increased volumes of biodiesel. U.S. farmers can produce more feedstock and U.S. biodiesel producers have unused capacity. There are no infrastructure impediments to modest biomass-based diesel volume increases and U.S. workers, consumers and the environment would benefit from production increases.

Indeed, there are no significant obstacles to increasing production and use of biomass-based diesel. Biodiesel can be used in engines in higher blends and renewable diesel can be used as a drop-in fuel. Existing infrastructure exists for greater distribution, and further investments can be readily made with appropriate incentives.

The biodiesel industry has always advocated for RFS volumes that are modest and achievable and has met or exceeded the targets each and every year that the program has been in place. During this rulemaking process and public comment period, as they have in previous years on behalf of the U.S. biodiesel industry, the National Biodiesel Board is providing EPA with global feedstock analysis, capacity analysis, and economic analysis which all support higher volumes of biomass-based diesel.

Biomass-based diesel is a great success story of the RFS. The EPA and the Administration are missing an easy opportunity to help the agriculture and rural economy while at the same time achieving greater greenhouse gas emissions reductions. By EPA's assessment, biodiesel achieves greenhouse gas emissions reductions ranging from 50% to 86% better than petroleum diesel.

The jobs and economic impact of the biodiesel industry should not be overlooked. The biomassbased diesel industry currently supports 64,000 U.S. jobs throughout the supply chain, and for every additional 500 million gallons of domestic production, the industry would provide an additional 13,000 jobs.

The goal of the RFS program is to promote growth in domestic biofuels. EPA's proposal provides no growth for the biodiesel industry despite all indicators demonstrating that additional volumes can easily be supported. There is idle domestic production capacity and ample, price competitive feedstock available to supply increased domestic biodiesel production. Given the many benefits that biodiesel provides, the USCA urges EPA to increase the volumes for biomass-based diesel to 2.5 billion gallons for 2019 and to increase total Advanced Biofuels volumes to 4.75 billion gallons in 2018.

Thank you again for the opportunity to provide these comments.

Respectfully yours,

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Rob Rynning, President