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Canola Oil Approved by EPA as Feedstock for Renewable Diesel, Jet Fuel, Naphtha, Liquified Petroleum Gas and Heating Oil

WASHINGTON, DC — The U.S. Canola Association (USCA) applauds the U.S. Environmental Protection Agency's (EPA's) determination that canola oil-derived renewable diesel and related biofuels qualify as "advanced biofuels" under the Renewable Fuel Standard (RFS) program. This is good news for canola growers, renewable fuel producers, consumers, and the environment.

"The EPA's approval of these new pathways provides more ways to reduce greenhouse gas (GHG) emissions, parity for canola oil with other vegetable oils and fats in the market, canola farmers additional markets for surplus crops, and renewable fuel producers diversified feedstock options," states Andrew Moore, USCA president and canola grower.

In March 2020, the USCA petitioned the EPA to approve canola oil as a feedstock for renewable diesel. In April 2022, the EPA issued a Notice of Proposed Rulemaking that renewable diesel, jet fuel, naphtha, liquified petroleum gas (LPG) and heating oil produced from canola oil reduce GHG emissions by at least 50 percent compared to petroleum in order to be eligible for the RFS. In fact, the EPA conservatively estimates that lifecycle GHG emissions from canola oil-based renewable diesel are 67 percent less than the diesel baseline. Naphtha, LPG, and canola oil-based jet fuel have similar reductions compared to baseline emissions.

As only biofuels produced by EPA-approved pathways are eligible for the RFS program, these new canola oil pathways can now contribute to reducing GHG emissions in the transportation sector. Renewable diesel, for example, is a "drop-in" biofuel that is chemically similar to petroleum so it can be used in existing transportation vehicles at 100 percent replacement.

"Increasing demand for lower carbon, cleaner burning fuels makes those derived from canola oil important as the United States strives to diversify its long-term energy sources and renewable fuel feedstocks," says Moore. "More feedstock options allow renewable fuel producers to utilize market efficiencies, protect against price volatility, and provide flexibilities due to unforeseen circumstances."

U.S. renewable diesel production grew from 62 million gallons in 2011 to 838 million gallons in 2021, according to the EPA. The U.S. Energy Information Administration expects this production to triple by the end of 2023 due to the conversion of petroleum refineries and new construction of renewable diesel refineries. This expansion is largely being driven by low-carbon fuel policies in jurisdictions like California, which benefit U.S. agriculture.

"Ensuring alternative markets for excess production allows farmers to utilize canola as a rotational crop without requiring new land and to augment sustainable farming practices to mitigate climate change impacts," notes Moore. "It also encourages investments in more crushing facilities and makes

protein meal *less* expensive by increasing supply."

Canola has a higher percentage of oil (45%) and better cold weather properties than other oilseed feedstocks due to low saturated fat content (7%). In addition, canola is a sustainable rotational crop that improves farm economics, weed management, soil health, pollinator habitat and more.

"Establishing canola oil as an alternative feedstock for the production of renewable diesel and related biofuels supports the U.S. government's overarching goals of sustainable agriculture and bioenergy," Moore concludes. "It's a win for everyone."

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The U.S. Canola Association (USCA) is a non-profit commodity organization whose mission is to increase domestic canola production to meet growing demand for healthy oil, meal and protein by promoting policies and conditions favorable to growing, marketing, processing and using U.S. canola. Founded in Washington, D.C. in 1989, the USCA has helped grow domestic canola acreage from virtually zero to more than 2 million.