

April 10, 2017

The Honorable Charles E. Grassley  
135 Hart Senate Office Building  
Washington, DC 20510

The Honorable Joni K. Ernst  
111 Russell Senate Office Building  
Washington, D.C. 20510

Re: Corn Oil 1 bio-intermediary designation by EPA

Dear Senators Grassley and Ernst:

As an organization involved in promoting the biofuels industry in Iowa, we are asking for your help with an issue that an Iowa company is experiencing, due to what appears to be a misunderstanding or mischaracterization by the EPA.

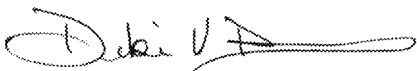
Corn Oil 1 is a company that started in 2014 with a goal to refine Distillers Corn Oil (DCO) effectively and efficiently, making it one of the preferred feedstock sources in the biodiesel industry. Because of a rule made by EPA that classifies Corn Oil 1 as a "bio-intermediary" instead of vegetable oil, the product is not on a level playing field with other vegetable oils, keeping it out of the market and making it unable to compete in the RFS.

To summarize, this is the issue:

- 1) EPA arbitrarily classified Corn Oil 1 as a bio-intermediary, shutting them out of the RFS2 biodiesel market. This has harmed Corn Oil 1 substantially, and has hurt the biodiesel and ethanol industries.
- 2) By making up this "distinction without a difference," EPA has denied Corn Oil 1 (and hundreds of upstream ethanol plants) access to an expanded marketplace, while other vegetable oil sectors, following an identical pathway, have access to freely trade in this market.
- 3) Corn Oil 1 needs to be positively accepted as Non Food Grade Corn Oil (NFGCO) and eligible for the NFGCO Pathway by the EPA, as other vegetable oils are under the original RFS2 designation. Without this, Corn Oil 1, and the industries it serves, will be irreparably damaged.

On behalf of the biofuels industry in Iowa, we respectfully request your assistance in reviewing this matter with the EPA.

Sincerely,



Debi Durham  
Director