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**From:** Britt Aasmundstad [britt@nasda.org]  
**Sent:** 7/5/2017 7:41:49 PM  
**To:** Nitsch, Chad [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d1d117eb89ff410fb6ccd21643b34447-CNitsch]; Nathan Bowen [Nathan@nasda.org]; Dudley Hoskins [Dudley@nasda.org]  
**CC:** Osinski, Michael [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=1a72876794204ff0937fd23848837cc6-MOsinski]; Bennett, Tate [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=1fa92542f7ca4d01973b18b2f11b9141-Bennett, E]; Bowles, Jack [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=78e63acc248f41328768db82d95464c3-JBOWLES]  
**Subject:** RE: EPA Proposes RFS Volumes Reflective of Market Realities for 2018

Thanks, Chad! We'll get this out.

**Britt Aasmundstad**  
National Association of State Departments of Agriculture  
(202) 296-9680

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**From:** Nitsch, Chad [mailto:Nitsch.Chad@epa.gov]  
**Sent:** Wednesday, July 05, 2017 3:39 PM  
**To:** Britt Aasmundstad; Nathan Bowen; Dudley Hoskins  
**Cc:** Osinski, Michael; Bennett, Tate; Bowles, Jack  
**Subject:** Fwd: EPA Proposes RFS Volumes Reflective of Market Realities for 2018

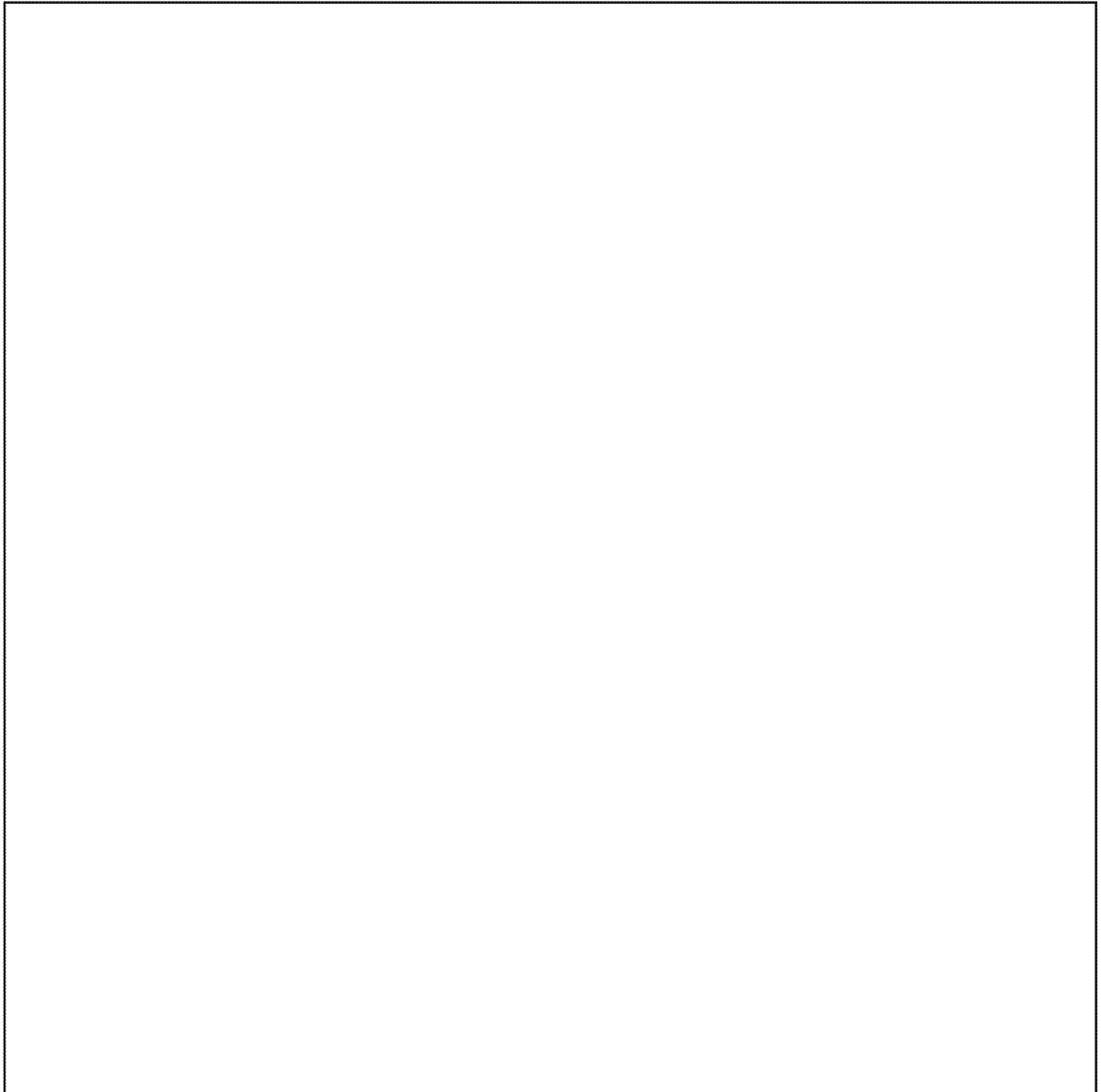
Britt, Nate, and Dudley,

For distribution to your members.

Chad Nitsch  
Intergovernmental Relations | State and Regional Partnerships  
United States Environmental Protection Agency  
202-564-4714

Begin forwarded message:

**From:** "EPA Press Office" <press@epa.gov>  
**Date:** July 5, 2017 at 3:35:01 PM EDT  
**To:** "Nitsch.Chad@epa.gov" <Nitsch.Chad@epa.gov>  
**Subject:** EPA Proposes RFS Volumes Reflective of Market Realities for 2018  
**Reply-To:** press@epa.gov



**EPA Proposes RFS Volumes Reflective of Market Realities for 2018**  
***Starting Technical Analysis to Inform Future Reset Rules***

WASHINGTON - (July 5, 2017) Today, the U.S. Environmental Protection Agency (EPA) signed a proposed rule setting the minimum amount of renewable fuels that must be supplied to the market in calendar year 2018 under the Renewable Fuel Standards (RFS) program. Today's action proposes volume requirements and associated percentage standards that maintain renewable fuel volumes at levels comparable to the 2017 standards, recognizing limits to the growth of cellulosic and advanced biofuels.

EPA is committed to successfully administering the RFS consistent with the direction entrusted to the Agency by Congress and is on track to meet the November 30th statutory deadline to make today's proposed Renewable Volume Obligations (RVOs) final. The proposed volumes are based on requirements under the law and an analysis of current market dynamics, including energy demand, biofuel production, and market

constraints. The proposed standards will help stabilize the renewable fuels program and provide certainty for stakeholders.

**“Increased fuel security is an important component of the path toward American energy dominance,”** said EPA Administrator Scott Pruitt. **“We are proposing new volumes consistent with market realities focused on actual production and consumer demand while being cognizant of the challenges that exist in bringing advanced biofuels into the marketplace. Timely implementation provides certainty to American refiners, the agriculture community and broader fuels industry, all of which play an important role in the RFS program.”**

Some key elements of today’s action:

- ✦ Non-advanced or “conventional” renewable fuel volumes are maintained at the **15-billion gallon** target set by Congress.
- ✦ The biomass-based diesel standard for 2019 would be maintained at the 2018 levels of **2.1 billion gallons**.
- ✦ EPA is beginning technical analysis that will inform a future rule to reset the statutory volumes for cellulosic, advanced, and total biofuels. The law requires this reset when certain conditions are met.

EPA is also taking comment on addressing concerns that some RFS obligations are increasingly met with imported fuel from Brazil, Argentina and Indonesia. Additionally, the Agency is assessing higher levels of ethanol-free gasoline and bolstering an existing memorandum of understanding with the U.S. Commodity Futures Trading Commission (CFTC) to analyze and address a host of market concerns, including the need for increased transparency.

**“The Clean Air Act requires EPA to reset volume targets when certain conditions are met. We expect those conditions to be met in the near future, so we are conducting technical analysis now, to inform future reset rules,”** said Administrator Pruitt.

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**Proposed and Final Renewable Fuel Volume Requirements for 2014-2019**

	<b>2017</b>	<b>Proposed 2018</b>	<b>Proposed 2019</b>
<b>Cellulosic biofuel (million gallons):</b>	311	238	n/a
<b>Biomass-based diesel (billion gallons):</b>	2.0	2.1*	2.1
<b>Advanced biofuel (billion gallons):</b>	4.28	4.24	n/a
<b>Renewable fuel (billion gallons):</b>	19.28	19.24	n/a

\*Biomass-based diesel standard is final for 2018.

For more information on today's announcement, go

to: <https://www.epa.gov/renewable-fuel-standard-program/2017-announcements-renewable-fuel-standard>



U.S. Environmental Protection Agency  
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