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**From:** Doug Whitehead  
**Sent:** Fri 10/20/2017 6:37:11 PM  
**Subject:** Thank you from the National Biodiesel Board



Dear Administrator Pruitt:

Thank you for taking time on Friday, October 13, to meet with us. We represent the domestic biodiesel industry—an industry that supports 64,000 jobs nationwide.

As we discussed, in creating the Renewable Fuel Standard (RFS), Congress intended to “create incentives to increase renewable fuel supplies and overcome constraints in the market.” (*Americans for Clean Energy vs. Env’tl. Prot. Agency*, 864 F.3d 691 (D.C. Cir. 2017) (quoting 80 Fed. Reg. at 77,423)). The RFS created four fuel categories: total renewable fuel (a category comprised mostly of corn-based ethanol, which is “conventional biofuel”), advanced biofuel, cellulosic biofuel and biomass-based diesel. Biomass-based diesel includes both biodiesel and renewable hydrocarbon diesel.

As you know, each year, the biodiesel industry has exceeded the goals that Congress envisioned when it passed the law. Made from an increasingly diverse mix of resources such as recycled cooking oil, soybean oil and animal fats, biodiesel is a diesel replacement that can be used in existing diesel engines without modification. Biodiesel is the first advanced biofuel under the RFS to reach commercial-scale production nationwide.

We appreciated your taking the time to learn more about the differences between capacity and production within the biodiesel market. We know we are capable of producing significantly more biodiesel than was proposed in either of the recent proposals from your agency. The U.S. biomass-based diesel industry can generate 2.6 billion gallons *right now* and has the additional

registered capacity to ramp up production to even higher volumes. And while domestic capacity is enough by itself to satisfy higher renewable volume obligations, imports from other countries will continue to enter the United States and make compliance even easier for obligated parties.

As we also discussed, the RFS has a ripple effect on agriculture and the broader rural economy, which needs growing, diverse markets for its farm products. Reduced Renewable Volume Obligations (RVOs) hurt farm commodity prices, depress farm income and undermine a robust rural economy. Not only is growing our industry important to the rural Americans who voted for building a stronger rural economy, but also it is *required by law*.

The clearest path to realizing our shared goals of a vibrant rural economy, coupled with a diverse, growing, and more secure domestic fuel supply, is to grow the volumes of biomass-based diesel and advanced biofuels in the Renewable Fuel Standard and to disregard the proposals contained in the Notice of Data Availability issued in late September. A lower requirement that fails to support growth in the industry, such as a status quo requirement like 2.1 billion gallons, would not accomplish rural America and Congress's goals to grow the industry." The National Biodiesel Board asks for at least 4.75 billion gallons of advanced biofuels in 2018 and 2.5 billion gallons of biomass-based diesel in 2019.

Please do not hesitate to reach out with any further questions or data requests. We are proud of the American industry that we have built from the ground up, using co-products and waste products, and we stand eager to defend those thousands of jobs that depend on our industry.

We look forward to a productive and engaging working relationship.

Sincerely,

Doug Whitehead

Chief Operating Officer

**National Biodiesel Board**

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*Biodiesel, America's Advanced Biofuel*