

To: Bolen, Brittany[bolen.brittany@epa.gov]; Gunasekara, Mandy[Gunasekara.Mandy@epa.gov]; Dravis, Samantha[dravis.samantha@epa.gov]
Cc: Kime, Robin[Kime.Robin@epa.gov]; Inge, Carolyn[Inge.Carolyn@epa.gov]
From: Larry Schafer
Sent: Tue 5/9/2017 7:24:18 PM
Subject: Biodiesel Meeting Request for week of May 15 --- Biodiesel meeting follow up!

Mandy, Brittany and Samantha:

Since we last met in early April, -- **and on which we agreed to follow up with you with additional information from our industry** -- we have updated information and data that is relevant to helping **your team set the 2018 RVO for Advanced Biofuels.**

The 2018 RFS RVO rulemaking is one of the first rules coming from this EPA and each year this rule is an important one to all of the nation's fuel related stakeholders.

We want to be respectful of your time but also want to make sure you have the clear, concise, and accurate information you need.

We think it is necessary for us to come by your office to provide supporting information and context about where we are headed as an industry – the available domestic supply of Advanced Biofuels far exceeds 2017's 4.28B RIN gallon requirement and the Biomass Based Diesel's available supply far exceeds this year's 2.0B gallon requirement. Given that 2.6B gallons of biomass based diesel were supplied last year even as an estimated 35% of America's domestic capacity sat idle, those facts appear abundantly self-evident. For 2018, the bare minimum of available supply without any straining of capacity whatsoever for Advanced Biofuels is 5.25B gallons and for 2019, for Biomass Based Diesel is 2.75B gallons.

Our meeting with your team from early April was refreshingly straight forward. You made clear that Administrator Pruitt recognizes RFS as the law of the land, that he intends to administer the law as written, and that your team recognizes the importance of providing clear and timely guidance to all related parties. We want to be helpful to your process and given the importance of this matter to our industry – we want to make sure the data gets to where it is needed.

Would you be kind enough to provide us with a couple of times for next week – that might be convenient for your team to meet? (Week of May 15th)

Our team consists of Gene Gebolys (CEO of World Energy), Scott Lewis (Executive VP of Biox-WEBB) and Jonathan Phillips (General Counsel of RBF, Port Neches) – representing over 500 million gallons of domestically produced biodiesel. We would also like to bring Anne Steckel, the VP of Federal Affairs with the National Biodiesel Board (NBB). (Gene Gebolys is chair of NBB’s working group on the RVO process).

Thank you.

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Larry Schafer

Principal

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-----Original Message-----

From: Larry Schafer [mailto:lschafer@playmakerstrategies.com]

Sent: Monday, May 08, 2017 11:59 AM

To: 'Bolen, Brittany'; 'Gunasekara, Mandy'

Cc: Kime, Robin

Subject: RE: Biodiesel meeting follow up

Mandy and Brittany,

I know you are busy. We really feel that it is urgent that we schedule a follow up meeting with you this week.

Do you have availability on Wednesday (10th) or Friday (12th)

I would like to bring back Gene Gebolys and have Anne Steckel from the National Biodiesel Board join us.

Thank you.

=====

Larry Schafer

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-----Original Message-----

From: Larry Schafer [<mailto:lschafer@playmakerstrategies.com>]

Sent: Thursday, April 27, 2017 2:53 PM

To: 'Bolen, Brittany'; 'Gunasekara, Mandy'

Subject: RE: Biodiesel meeting follow up

Brittany and Mandy,

This is note is to provide a quick follow up to our meeting of two weeks ago as well as to our meeting with OTAQ staff yesterday.

Gene Gebolys and Jonathan Phillips, both of whom you met with, and a small group of biodiesel industry leaders met yesterday with Chris Grundler, Director of OTAQ, and his team, to discuss the upcoming 2018 RFS rulemaking. The purpose was to discuss the in-depth modeling prepared by the National Biodiesel Board's RVO Working Group, of which Gene is the co-chair. This is a highly detailed data driven exercise in which our industry annually shares

projections for available production capacity and provides back cast empirical data about the accuracy of our previous projections.

Our earlier meeting with both of you was refreshingly straight forward but yesterday's was less so. You made clear that Administrator Pruitt recognizes RFS as the law of the land, that he intends to administer the law as written, and that your team recognizes the importance of providing clear and timely guidance to all related parties. In contrast, our group left yesterday's meeting with the impression that that while the OTAQ team recognized EPA's obligation under the law to grow the Advanced Biofuel pool of the program, they felt they lacked any clear policy direction for doing so. For an industry that lives or dies on how these regulations are implemented, that was concerning.

EPA staff advised us yesterday that they understand that the available domestic supply of Advanced Biofuels far exceeds 2017's 4.28B RIN gallon requirement and that Biomass Based Diesel's available supply far exceeds this year's 2.1B gallon requirement. Given that 2.6B gallons of biomass based diesel were supplied last year even as an estimated 35% of America's domestic capacity sat idle, those facts appear abundantly self-evident. For 2018, the bare minimum of available supply without any straining of capacity whatsoever for Biomass Based Diesel is 2.75B gallons and for Advanced Biofuels is 5.25B gallons. Those numbers and the data to support them were shared yesterday with OTAQ. Yet, given the importance of this matter and the lack of clarity in yesterday's discussion we want to make sure the data gets to where it is needed.

The 2018 RFS RVO rulemaking is one of the first rules coming from this EPA and each year this rule is an important one to all of the nation's fuel related stakeholders. I want to be respectful of your time but also want to make sure you have the clear, concise, and accurate information you need. As such, I'd be happy to come by your office at your convenience to provide supporting information and context and / or to answer questions. Please let me know how I can best keep you efficiently informed.

Thank you.

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-----Original Message-----

From: Bolen, Brittany [<mailto:bolen.brittany@epa.gov>]

Sent: Wednesday, April 26, 2017 7:16 AM

To: Larry Schafer

Cc: Gunasekara, Mandy

Subject: Re: Biodiesel meeting follow up

Hi Larry - unfortunately, my schedule is packed with back-to-back meetings today.

Best,

Brittany

> On Apr 25, 2017, at 6:31 PM, Larry Schafer <lschafer@playmakerstrategies.com> wrote:

>

> Brittany

>

> Any chance we can stop by tomorrow?

>

> Larry Schafer

> Playmaker Strategies

> 202.997.8072

>

>

>> On Apr 25, 2017, at 3:33 PM, Larry Schafer <lschafer@playmakerstrategies.com> wrote:

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>> Brittany and Mandy,

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>> Hope you are well.

>>

>> As Gene mentioned, he will be in DC tomorrow (4-26). Might you have

>> a few minutes for Gene and me to stop by and update you on our

>> meeting with the staff at OTAQ and to update you on our economic

>> analysis as it relates to the Advanced Biofuels program?

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>> We will keep it short.

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>> Thanks.

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>> -----Original Message-----

>> From: Gene Gebolys [<mailto:ggebolys@worldenergy.net>]

>> Sent: Thursday, April 20, 2017 5:55 PM

>> To: bolen.brittany@epa.gov; Gunasekara.Mandy@epa.gov; Larry Schafer;

>> 'Manning Feraci'; Slewis@bioxcorp.com; 'Jonathan Phillips

>> (jphillips@rbfuels.com) '

>> Subject: Biodiesel meeting follow up

>>

>> Mandy and Brittany,

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>> Thanks for taking the time to meet with us last week. It was really

>> nice that we were forced out into the beautiful outdoors and that we

>> were able to have a really good exchange. We left that meeting very

>> encouraged about the new team at the helm at EPA.

>>

>> I mentioned then that we were in the final stages of running our

>> annual econometric analysis for the upcoming RVO's. That work is now

>> complete and I'll be back in DC next Wednesday to share it with EPA

>> and USDA career folks. If you would find it useful for Larry and me

>> to come by for a short follow up visit, we'd be happy to do it.

>>

>> One way or the other we'd like to get the data in your hands. It
>> shows that we have that we have more than adequate available capacity
>> to fill an Advanced Biofuels RVO for 2018 of 5.25B and a Biomass
>> Diesel RVO of 2.75B without substantially pressuring RIN values or commodity prices.

>>

>> If you are available for a few minutes on Wednesday we'd be happy to
>> come back for part two of our initial visit. If not, I'll ask Larry
>> to coordinate with you in whatever way is most convenient to both of
>> you to get you the follow up information.

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>> Best, Gene

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>> Sent from my iPhone

>> Gene Gebolys

>> 617-312-6999

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