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**From:** POLITICO Pro  
**Sent:** Wed 7/5/2017 8:33:12 PM  
**Subject:** Pruitt signals new effort to start biofuel rule reset

By Eric Wolff

07/05/2017 04:28 PM EDT

EPA Administrator Scott Pruitt's announcement laying out the proposed 2018 biofuel volumes today appears to foreshadow a forthcoming shakeup of the Renewable Fuel Standard.

In his statement, Pruitt said that EPA will conduct a technical analysis to "inform a future rule" for a reset. The RFS allows EPA to reset volumes when targets set in statute are missed by 20 percent or more two years in a row, or by 50 percent in one year. While conventional biofuels — mostly corn-based ethanol — have kept pace with EPA demand, advanced biofuels, such as cellulosic ethanol, have not.

"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," Pruitt said.

The announcement also said the agency will be "assessing higher levels of ethanol free gasoline," although the announcement did not make clear what that entailed. Opponents of the RFS have argued that gasoline blended with ethanol poses a danger to small engines like lawnmowers, snow mobiles and small boat motors.

EPA is also taking comment to "address concerns" that some RFS obligations are met with imported fuel from Brazil, Argentina and Indonesia. The National Biodiesel Board, a trade association for biodiesel producers, has lodged a trade complaint against Argentina and Indonesia.

The agency will also seek to "bolster" cooperation between EPA and the Commodities Futures Trading Commission to help manage transactions in RFS credits. RFS opponents, notably including Trump adviser Carl Icahn, have complained about fraud in the credits market.

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