

February 9, 2015

The Honorable Gina McCarthy Administrator U.S. Environmental Protection Agency 1200 Pennsylvania Ave. N.W. Washington, D.C. 20460

Dear Administrator McCarthy:

We write to convey our continued concern regarding delays in establishing biodiesel volumes under the Renewable Fuel Standard (RFS).

As you know, the Environmental Protection Agency (EPA) has not yet finalized the 2014 RFS standards and announced recently that it would not do so until this year. Additionally, the 2015 standard for biodiesel is also now approximately one year late, and the 2016 standard should have been established by December 2014.

Biodiesel is the first EPA-designated advanced biofuel under the RFS to reach commercial scale production nationwide. It is exceeding the goals that Congress envisioned when it created the RFS with bipartisan support in 2005. It is clear that the biodiesel industry has met the criteria for growth, and under the law, its volumes are to be promulgated independently of the other fuel categories.

Indeed, the timetables for biodiesel are unique under the RFS. In creating the program, Congress directed the EPA to establish the Biomass-Based Diesel volume at least 14 months before the applicable year in which the requirement takes effect. This is because unlike other fuel categories under the RFS, the law did not include a pre-determined volume schedule for Biomass-Based Diesel. Instead, it directed the EPA to establish annual volumes based on industry capacity, feedstock availability, and other factors.

EPA's recent actions have neither reflected industry capacity nor biodiesel's separate treatment under the RFS. The recent delay has only compounded the effects from the November 2013 RFS proposed rule which did not adequately reflect biodiesel production levels. These actions continue to create tremendous uncertainty and hardship for the U.S. biodiesel industry and its thousands of employees. Plants have reduced production and some have been forced to shut down, resulting in layoffs and lost economic productivity.

We urge you to get biodiesel back on schedule under the statutorily prescribed Renewable Volume Obligations (RVO) process and quickly issue volumes for 2014 at the actual 2014 production numbers. We also hope you move forward on the 2015 and 2016 biodiesel volumes in a timely manner, ensuring that these delays do not become the norm for the industry. Furthermore, volumes for 2015 and beyond must be increased to take into account EPA's recent

decision to allow imports from Argentinean renewable fuel producers to participate in the RFS and to prevent displacement of domestic production.

Like many industries, the biodiesel industry requires certainty in order to plan for production in the next year. As such, the Administration risks causing further disinvestment and lost jobs if these decisions are not made in a timely manner. Thank you for your consideration.

Sincerely,

Heidi Heitkamp

United States Senate

United States Senate

Mazie K. Hirono

United States Senate

Claire McCaskill United States Senate

Jeanne Shaheen United States Senate

United States Senate

United States Senate

Chuck Grassley United States Senate

Debbie Stabenow

United States Senate

Jack Reed

United States Senate

Sherrod Brown

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Brian Schatz United States Senate

Edward J. Markey

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Susan M. Collins United States Senate

ce: The Honorable Tom Vilsack, Secretary, U.S. Department of Agriculture The Honorable Shaun Donovan, Director, Office of Management and Budget