Congress of the United States
Washington, DC 20515

October 14, 2015

The Honorable Gina McCarthy
Administrator
United States Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator McCarthy:

As members of the California congressional delegation, we are writing to object to the Environmental Protection Agency's (EPA) proposed rule setting Renewable Volume Obligations under the Renewable Fuel Standard (RFS) for 2014-2016 (Docket ID No. EPA-HQ-OAR-2015-0111) and urge it to ensure that the final rule reflects congressional intent.

The RFS has helped to expand the amount of American-made biofuels – including biodiesel, algal fuels, and other advanced biofuels – in our transportation fuel supply. In turn the biofuels industry supports 850,000 American jobs and adds $185 billion in economic output, according to Fuels America. In California alone there are dozens of companies devoted to biofuels, with the biofuels sector supporting nearly 60,000 jobs. Increasing our use of biofuels further allows us to reduce our dependence on foreign oil, lower the price consumers pay for gas, and reduce emissions.

The RFS is also leading to the development and commercialization of cleaner transportation fuels, those using second generation biofuels. In 2014, despite considerable uncertainty with the RFS program, three commercial-scale, advanced biorefineries opened. According to Argonne National Laboratory, advanced biofuels, like those from switchgrass or corn stover, can deliver an 88-96 percent reduction in greenhouse gas emissions compared to gasoline. Reducing emissions is very important in our state of California, which has many metropolitan areas with particularly serious challenges as it relates to air quality. These second generation biofuels also hold great promise in terms of potential availability and environmental sustainability, and so it is important we continue to push the growth of this sector.

Unfortunately, EPA's proposed rule threatens to halt the progress we are making. EPA, arguing that there is not sufficient distribution infrastructure, is proposing to waive statutory requirements and scale back the amount of renewable fuel that must be blended into our transportation fuels. This removes the incentive for the oil industry, which controls the distribution infrastructure, from investing in additional means to bring this cleaner, renewable fuel to consumers. Indeed, the very purpose of the RFS was to create a market for renewable fuels. And, the reality is distribution wavers are not necessary because the statute can be met with our existing infrastructure and should not be waived.

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We are particularly concerned that EPA's proposed rule likely will stall further investment in cellulosic, biodiesel, and other advanced renewable fuels. Without a market for their products, biofuel companies will have no incentive to make additional investments. But with a rule that will support such a market, investors, including in California, are ready to help support the desired increased production of advanced renewable fuels.

In addition, from an environmental perspective, this proposed rule is very troubling. In the Biotechnology Industry Organization's (BIO) comments on the proposed RFS for 2014-2016, submitted to the EPA on July 27, BIO found the proposed rule would add 34.9 million metric tons of carbon emissions for 2015. This is an amount equal to the annual emissions from nine coal-fired power plants, according to the EPA's carbon offset calculator.

As EPA works to develop the final rule, we urge it to take action to get the RFS back on track and ensure consumers have access to the cleanest and most affordable transportation fuels. EPA should not adopt new waiver allowances that allow the oil industry to avoid its obligations under the law, and the agency should ensure that the volumetric blending requirements adopted reflect the intent of Congress to increase the production and use of advanced, low carbon biofuels.

Sincerely,

Eric Swalwell
Member of Congress

Julia Brownley
Member of Congress

Susan A. Davis
Member of Congress

Sam Farr
Member of Congress

Scott Peters
Member of Congress

Loretta Sanchez
Member of Congress

Jackie Speier
Member of Congress