



October 30, 2019

Docket ID: No. EPA-HQ-OAR-2019-0136

Public Hearing: Renewable Fuel Standard Program: Standards for 2020 and Biomass Based Diesel Volume for 2021, and Response to the Remand of the 2016 Standards; Supplemental Notice of Proposed Rulemaking

Comments:

Good morning. I am Dr. Stephen Rapundalo, President and CEO of the Michigan Bioscience Industry Association or MichBio for short.

In addition to MichBio I am appearing on behalf of the Biotechnology Innovation Organization (BIO). BIO is the world's largest trade association representing biotechnology companies, academic institutions, state biotechnology centers and related organizations across the United States and in more than 30 other nations.

BIO represents companies across the entire value chain of biofuel production who are using industrial biotechnology to develop new energy crops, conversion technologies for these new feedstocks, improved conventional biofuel processes, and further advanced and cellulosic biofuel production technologies.

Due to the time constraints today, I will provide a short statement on BIO's behalf, regarding the U.S. Environmental Protection Agency's (EPA) a supplemental notice of proposed rulemaking to the 2020 Renewable Fuel Standard (RFS) volumes, but BIO will provide a detailed response to the proposed rule in its written comments that it will submit next month.

The Renewable Fuel Standard or RFS has been vital to BIO's member companies, spurring investment and development of advanced and cellulosic biofuels. Unfortunately, the demand destruction caused by the drastic expansion of small refinery exemption waivers or SREs has had a major impact on the industry, costing jobs, stifling investment in innovation, and undermining efforts to reduce greenhouse gas emissions in the transportation sector.

As a result, companies who have researched and developed technologies in the United States are looking to commercialize advanced and cellulosic biofuel technologies in countries like India and China which are investing heavily in biofuels to improve their air quality.

Because of the impact SREs have had on the sector, BIO was hopeful the Administration's October 4th announcement to put forward a proposal to reallocate biofuel gallons lost to the waivers would address the harm done to the biofuels industry and bring certainty back to the RFS.

Instead, the supplemental notice of proposed rulemaking to reallocate the gallons lost to SREs based on the relief recommended by the Department of Energy, not on actual exemptions granted, is a half-measure and does not undue the demand destruction caused by the waivers.

The administration needs to uphold the intent of the RFS by providing a solution that encourages investment in clean energy innovation. As long as lost gallons from these exemptions are not fully reallocated, the proposal does not provide meaningful relief to American farmers and biofuel producers who are already experiencing significant hardship.

EPA's final rule for the 2020 RFS must account for SREs by fully capturing all the gallons that have been lost due to the expansive issuance of SREs. If action is not taken to reverse these harmful impacts, this vital sector and the myriad of economic and environmental benefits it brings could grind to a halt.

The administration has an opportunity to secure our energy independence, reduce environmental and climate impact in transportation fuels, bolster rural economies, and protect American farmers.

Thank you for your time and consideration of these comments today.