

November 14, 2013

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

The Honorable Tom Vilsack
Secretary
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, D.C. 20250

The Honorable Sylvia Mathews Burwell
Director
Office of Management and Budget
725 17th Street, N.W.
Washington, D.C. 20503

cc: The Honorable Howard Shelanski,
Administrator, Office of Information and Regulatory Affairs

Dear Administrator McCarthy, Secretary Vilsack, and Director Burwell:

We write to encourage the Administration to develop a 2014 regulatory proposal for the Renewable Fuel Standard (RFS) that supports the current-year projected 1.7 billion gallons of U.S. biodiesel production.

Biodiesel has exceeded RFS targets in each year and is clearly poised to do so again in 2013. The industry has had impressive growth, going far beyond initial expectations just five years ago, and is supporting 62,160 jobs and nearly \$17 billion in total economic impact. Biodiesel is improving our energy security by reducing our dependence on imported petroleum diesel, diversifying fuel supplies and creating competition in the fuels market.

Setting the 2014 biodiesel volume requirement at reduced levels could have severe impacts on the domestic biodiesel industry. Further, a continuation of 2013 levels paired with any reduction in advanced biofuels targets could similarly negatively impact the industry.

Biodiesel is the only Environmental Protection Agency (EPA)-designated advanced biofuel to achieve commercial-scale production nationwide and the first to reach 1 billion gallons of annual production. Keeping the targets stagnant, rather than gradually allowing the biodiesel industry to grow, could leave 400 million gallons of biodiesel potentially unused – roughly 25 percent. Such a cut could result in nearly every small facility shutting down and permanently ceasing production of biodiesel, leading to the loss of some 7,000 jobs. Additionally, investment and financing for the U.S. biodiesel industry could be severely jeopardized, creating new and possibly insurmountable hurdles for the remaining producers to grow and expand.

In setting 2014 targets for biodiesel, the EPA should avoid outcomes that could lead to plant closures, worker layoffs, and uncertainty over future investments in the biodiesel industry. We urge you to continue to support this fragile and growing industry with a reasonable increase in the RFS volume requirement for 2014.

Thank you for your consideration.

Sincerely,