

Congress of the United States

Washington, DC 20515

February 6, 2025

The Honorable Lee M. Zeldin
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator Zeldin:

Congratulations on your recent confirmation as Administrator of the U.S. Environmental Protection Agency (EPA). As you work with President Trump to set the agency's goals and objectives, we write to emphasize the importance of the American biofuels industry.

Steady growth in U.S. biofuel production means more American fuel in the marketplace and lower prices at the pump for hardworking families who have spent years suffering under high inflation. Homegrown fuels serve as a bulwark against price manipulation by foreign, state-owned oil exporters. They also promise to play a central role in fulfilling our vision for strengthening the farm economy, supporting domestic processing, and revitalizing rural communities. Ethanol contributed over \$54 billion to U.S. gross domestic product (GDP) in 2023, accounting for 28 percent of U.S. farming GDP while sustaining over 394,000 jobs. Similarly, the U.S. biodiesel and renewable diesel industry, with plants and markets across the country, supports 75,200 U.S. jobs and pays \$3.6 billion in annual wages. Bio-based diesel drives more than \$23.2 billion in annual economic activity.

This is why the EPA took steps to increase the use of biofuels during President Trump's first term. The Trump EPA took steps to remove unnecessary regulatory barriers to E15, rejected efforts to cap credits under the Renewable Fuel Standard (RFS), and adopted an approach to account for any lost gallons from RFS small refinery exemptions (SREs). Moving forward, rural communities are counting on you to maintain this trajectory by providing stable, predictable growth in U.S. biofuel targets and preserving the future integrity of the RFS.

As you know, the RFS was signed into law in 2005 and modified in 2007 to increase the supply of domestic renewable energy. Today, 98 percent of gasoline sold in the U.S. contains at least 10 percent ethanol (E10), and the U.S. biodiesel and renewable diesel industry produces more than 4.5 billion gallons of fuel annually, accounting for about 9 percent of the nation's total distillate supply. Higher-level ethanol blends like E15 reduce the price at the pump by 10-30 cents per gallon on average compared to E10, with some locations offering savings of up to \$1 per gallon. Biodiesel drives down the price of traditional diesel by about 4 percent, as well.

Under the last administration, the EPA set Renewable Volume Obligations (RVOs) under the RFS in a rulemaking commonly referred to as the "Set". This first Set rule missed the mark for advanced biofuels volumes by setting blending targets over two billion gallons below production, creating oversupply in the market and stranding investment in production, processing, and agricultural feedstocks. Producers are already

reeling from the impacts, with rural manufacturing plants idling production, laying off workers, and delaying feedstock purchases from American farmers.

The second rulemaking, setting volumes starting in 2026, is already behind schedule. The EPA is required by law to issue these rules no later than 14 months before the first year for which these volumes will apply, but the current schedule calls for a final rulemaking in December of 2025 – 13 months past the statutory deadline. This delay, coupled with the flawed 2023 Set rule, has created uncertainty in the marketplace and slowed investment, negatively impacting gas prices, rural economies, and commodity prices.

Under your leadership, we request the EPA put the RFS back on track by providing a path for growth for all biofuels and rejecting proposals to undermine the statute and destabilize the market. To this end and above all else, EPA must provide stability to the market by establishing robust RVOs in the Set 2 rulemaking as described below; rejecting abuse of SRE authority and ensuring any legitimate SREs are accounted for in the RVOs; and rejecting proposals to retroactively lower volumes, erode demand, or set limits on blending. A robust RVO in the Set 2 rulemaking must set implied conventional biofuel RVOs of at least, if not more than, 15 billion gallons; set advanced RVOs at volumes which account for the rapid growth of renewable diesel (with an equivalent increase in total volumes); implement forward-looking RVOs for cellulosic biofuels to spur continued innovation and investment; and adopt the U.S. Department of Energy's Argonne National Lab Greenhouse Gases, Regulated Emissions, and Energy Use in Technologies (GREET) model for evaluating biofuels.

Additionally, EPA must eliminate decades-old regulatory barriers to growth so all retailers in all 50 states can offer E15 year-round if they so choose. E15 lowers gas prices for consumers, creates new markets for our farmers and helps reduce our energy dependence from foreign countries. To account for innovation in technology, feedstocks, fuel utilization, and carbon sequestration, EPA must ensure timely administrative actions which encourage growth in the industry.

We are grateful for your consideration and look forward to working with you and President Trump to advance these important biofuel initiatives.

Sincerely,



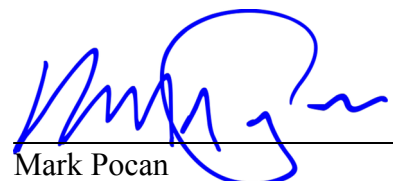
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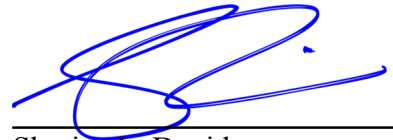
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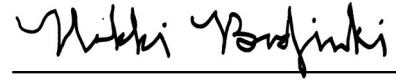
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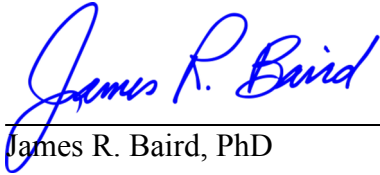
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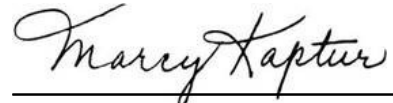
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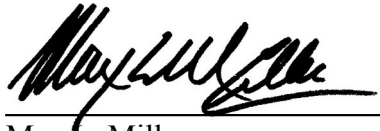
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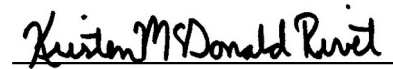
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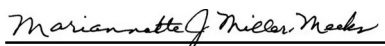
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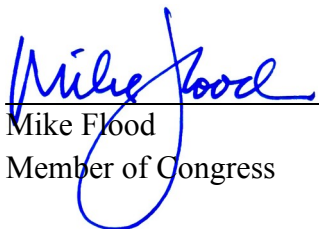
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