

**Statement of Chris Bliley, Vice President of Regulatory Affairs, Growth Energy
EPA Hearing on the 2020 RFS Renewable Volume Obligations**

July 31, 2019

Thank you for the opportunity to discuss the agency's proposed renewable volume obligations for 2020 under the Renewable Fuel Standard. My name is Chris Bliley and I am the Vice President of Regulatory Affairs for Growth Energy. Growth Energy is the largest renewable fuel organization in the world, representing more than half of U.S. ethanol production and tens of thousands of biofuels supporters across the country.

The Renewable Fuel Standard has and continues to be one of our nation's most successful energy policies and economic lifeline for our nation's farmers. Biofuels like ethanol now represent more than 10 percent of the nation's transportation fuel supply. Biofuels have saved consumers billions of dollars and have improved the air we all breathe, by reducing harmful air toxics like carbon monoxide and soot. And we're poised to do much, much more now with year-round approval of E15, as well as with higher blends like E85 and E30 entering retail stations across the country. And importantly, ethanol has provided access to a stable grain and fuel market for farmers and producers across the nation, particularly at a time when farmers need opportunities the most.

But the progress we've made with homegrown biofuels stands to be threatened by this proposal.

While the proposal again promises a 15 billion gallon commitment to starch ethanol and has a modest increase in cellulosic biofuels, the numbers are virtually meaningless. The EPA's targets have been hollowed out by the agency's failure to account for billions of exempted gallons. The agency freely admits that it has waived more than 2.6 billion gallons of demand through refinery exemptions and has built a RIN bank approaching a whopping 14 percent of the entire volume obligation. These refinery exemptions, all granted behind a shroud of secrecy, have set blending levels back years, destroying biofuel and associated farm demand all while refinery profits continue to surge and consumers pay higher and higher prices at the pump.

Once again, the proposal assumes that despite exempting at least 190 million gallons of biofuel every year since 2013, that there will be ZERO gallons exempted in 2020. If EPA is going to waive billions of gallons, it MUST properly

account for those gallons in the RVO calculation, so that demand-loss is not borne by biofuel producers and America's farmers.

Perhaps even more galling, EPA has also thumbed its nose at the DC Circuit who ruled that EPA must address the illegal waiver of 500M gallons in the 2014-2016 RVO. We've waited for two years and what has EPA done to address those lost gallons? Absolutely nothing, saying that it is too difficult.

Ethanol plants have closed, employees have been laid off, trade has been cut, all on top of farmers' crops being devastated – and EPA claims it is too difficult for refiners to blend 500 million gallons of biofuel as the law requires.

What kind of signal does that send to farmers? What message does that send to companies seeking to invest in American biofuels? It speaks volumes.

We urge you to make these numbers real, restore the lost demand, and properly account for exempted gallons. American biofuel producers and farmers cannot afford anything less.

Thank you.