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GrowthEnergy.org

July 28, 2022

Joseph Goffman
Principal Deputy Assistant Administrator
Office of Air and Radiation
U.S. Environmental Protection Agency
1300 Pennsylvania Avenue
Washington, DC 20460
Docket ID No. EPA-HQ-OAR- 2022-0434
Submitted through <http://regulations.gov>

Dear Mr. Goffman:

Growth Energy is the nation's largest renewable fuel organization representing 89 biofuel producers, nearly 104 associated businesses in the biofuel supply chain, and tens of thousands of biofuel supporters across the country. We believe expanding our nation's fuel mix with more biofuel will continue to lower costs for consumers, revitalize our rural economy, and improve our environment.

The Renewable Fuel Standard (RFS) has and continues to be one of our nation's most successful transportation decarbonization policies. The rapid investment and development of biofuels have reduced greenhouse gas emissions by decreasing our dangerous dependence on foreign oil. Plant-based ethanol blends now represent 98 percent of the fuel used on America's roads today. Biofuels have saved consumers billions of dollars and have reduced harmful air toxics like carbon monoxide and soot, and we are poised to do much, much more with higher blends like E15, E85, and E30.

The intent of the RFS is to blend more biofuels into our nation's transportation fuel supply. As such, we were pleased that the agency moved to finalize the 2022 volume requirements to provide for the highest level of renewable fuel blending ever under the RFS program. Related, we were also very pleased that the agency has moved to end the abuse of small refinery exemptions (SRE) with its June decision. We are glad that EPA is taking these actions to try to return the program to more regular compliance. To that end, it is imperative that the agency not unduly delay compliance and ensure that the volumes required are met in a timely fashion. EPA must get the program back to a more predictable compliance schedule where obligations are met in March following the RVO year. Only by doing so is the program truly back on track.

While we understand the need to clarify the compliance timeline for small refineries in light of the denial of SREs, we have concerns that EPA's proposal provides an overabundance of flexibility to small refineries rather than focusing on complying with the renewable fuel requirements. Additionally, and related, we fully support EPA's actions to deny the SREs and some very narrow flexibility, but one of the reasons for providing limited flexibility should not be that "some small refineries have stated that they have not been acquiring RINs ratably while producing transportation fuels that incur an RFS obligation in anticipating of EPA granting their SRE petitions."

Specifically, the agency is proposing to allow **all** small refineries, whether they had submitted a SRE or not for 2020, to comply with their 2020 obligation over a period of 18 months using RINs from 2021, 2022, 2023, or 2024. This is problematic in several ways.

First, EPA already finalized a rulemaking in February that significantly extended compliance timelines for the 2019, 2020, 2021, and 2022 volume obligations for small refineries and 2020, 2021, and 2022 volume obligations for all obligated parties. With the 2020-2022 RVO now finalized, small refineries already have until December 1, 2022, to meet their obligation – ample time to blend more biofuels and acquire the necessary RINs. It makes little sense for EPA to propose a completely new RIN retirement schedule over 18 months layered on top of an already delayed-compliance timeline. We believe the current timeline for small refineries to demonstrate 2020 compliance by December 1, 2022, makes sense and will help to get the RFS back onto a more predictable path forward.

Second, EPA has proposed for small refineries to be able to use a suite of RIN vintages including 2021, 2022, 2023, and 2024 for 2020 compliance. Again, this makes no sense. Volume requirements for 2023 and 2024 have not even been proposed by the agency yet the RIN vintages are already being promised for 2020 compliance in this proposal. We see no need for the use of 2023 and 2024 RINs for 2020 compliance. Additionally, if EPA ensures that small refineries meet the already finalized compliance schedule from February 2022, it will obviate the need for future RIN vintages.

Finally, EPA has proposed that a small refinery may not carry forward a RIN deficit from 2021 or a subsequent year unless it had fully complied with its 2020 RFS obligation. We agree with and support this provision. The intent should not be for a refinery to continually roll its obligation over and over again accruing RIN deficits and then claiming an inability to comply.

The RFS program was meant to drive more biofuel blending not for refineries to continually delay meeting their obligations. We can ensure the goals of the program are met only by getting the program back on track with timely and predictable compliance timelines

Thank you in advance for your consideration and please let us know if you have any questions.

Sincerely,



Chris Bliley
Senior Vice President of Regulatory Affairs
Growth Energy