

Testimony of Joe Jobe
Small Advanced Biofuel Refiners (SABR)
Renewable Fuel Standard (RFS) Program:
Standards for 2023–2025 and Other Changes
EPA Public Hearing
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Good afternoon. My name is Joe Jobe and I represent a coalition of biodiesel stakeholders called the Small Advanced Biofuel Refiners or SABR.

Implementing the RFS is an important, difficult and often thankless job for the EPA. So first of all - thank you. As the head of the biodiesel trade association from 1999 to 2016, my group worked very hard along with you to make biodiesel and the RFS program an environmental, economic and energy success story.

Biodiesel became the first advanced biofuel to respond to the RFS by creating a new industry. In 2010 when the RFS2 began implementation there was approximately 315 million gallons of biodiesel production. By 2016 it had grown to over 2.3 billion gallons – a nearly 1,000% increase in just 6 years. But since 2016 biodiesel volumes have declined every year due to cannibalization by renewable diesel while total biomass-based diesel (BBD) volumes have stayed virtually flat.

The SABR coalition includes 40 organizations throughout the biodiesel supply chain. SABR was formed to address inadvertent policy flaws caused by the disparate treatment of biodiesel and renewable diesel in the biomass-based diesel

category, which disadvantages biodiesel even though it is the lower cost, lower carbon fuel.

SABR's November 14, 2022 letter in the docket detailed the renewable diesel policy advantages over biodiesel and why they are unjustified: 1) Higher equivalence values assigned to renewable diesel, 2) RIN generation for by-products for renewable diesel. This disparity amounts to as much as 70 cents per gallon or more. This disadvantage is doubled again by similar treatment in the California LCFS.

When refinery conversion projects come online this year nearly the entire biomass-based diesel RVOs will be able to be filled by just three mega-companies out west. See charts in the docket. This will result in less carbon reduction at a higher cost, and less low carbon local economic activity, all at the expense of taxpayers.

The SABR group supports renewable diesel and SAF in the nation's decarbonization efforts. But those fuels should be displacing petroleum instead of biodiesel. That outcome could be accomplished with a simple solution: the biomass-based diesel category has become effectively meaningless – EPA should

give it meaning by making it a biodiesel program as Congress originally intended,¹ and let RD and SAF drive the growth of the Advanced Biofuel category.

Consistent with SABR's February 5 and September 9 comments in the docket, EPA should set the BBD RVO at 2 billion gallons and increase the advanced biofuel RVOs for growth of RD and SAF. Our comments will detail how this solution will advance all six statutory criteria. Thank you.

¹ 42 U.S.C. §7545(o)(5)(A) (emphasis added). "...EPA must provide "for the generation of *an appropriate amount* of credits for biodiesel."