Biodiesel Industry Puzzled By Loosening Of Alternative Fuel Standard

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As the biodiesel industry convenes for a national conference in San Diego today, one of the topics of discussions will be the loosening of the renewable fuel standard.

Among the participants will be Seattle-based General Biodiesel, a company that turns used cooking oil into vehicle-grade fuel. The company 's CEO is upset over backpedaling by the federal government on incentives for more use of alternatives.

Until now, the company has enjoyed support through the standard, which was put in place under George W. Bush and supported by the Obama administration. CEO Jeff Haas says the biodiesel industry has expanded to meet those goals and even exceed them.

“This year, the mandate was supposed to be for 1.7 billion [gallons]. We actually produced as a nation last year 1.7 billion gallons. So we were a year ahead of the goal.”

So Hass and other biodiesel advocates are puzzled to hear that the EPA is talking about keeping the goal where it is this year “without a lot of explanation as to why they’re cutting the program,” Haas said.

Hass says it will be a big topic among delegates at the conference he’s attending this week in California. Some of them will be invited to meetings with concerned people from the industry, both from the renewables and the oil sectors. And the EPA is also holding talks.

The hope from business leaders like Haas is that governors of states with a lot of skin in the game will convince the feds to at least stay steady.

Washington and Idaho both have big biofuels producers. But traditional oil companies are also feeling the pinch as fuel efficiency standards increase and more companies look to reduce their carbon footprints.