

# Office of Management and Budget

RVO Final Rule for 2014, 2015, 2016

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# The Bottom Line

- The RFS2 is about building the future of advanced biofuels
- Delay has been disproportionately harmful to advanced biofuels and has made it virtually impossible to finance the building of the next generation of plants due to the retro active setting of the numbers. Certainty is needed to accomplish the objective of the RFS2
- Current tax issues are impacting the ability to deliver gallons of biodiesel, renewable diesel in the future.
- Expedite pathways
- Solve the co-location / intermediate feedstock issue



# Total RINs Generated – 2015 to date\*

Fuel Category	Total Net RINs Generated	Approximate Net RINs Generated for year*
Cellulosic Biofuel (D3)	99,984,767	124,060,201
Biomass-Based Diesel (D4)	2,302,749,082	2,631,831,318
Advanced Biofuel (D5)	102,685,411	125,331,855
Renewable Fuel (D6)	12,283,036,490	14,776,962,540
Cellulosic Diesel / Heating Oil (D7)	199,504	250,000

\*EPA EMTS Data – 11/20/2015, added two months at October levels of production for approx full year



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# Biodiesel Tax Credit Changes Ability to Hit Targets

- RVO proposal calls for 1.7 B-gal in 2015; 1.8 B-gal in 2016; and 1.9 B-gal in 2017
- 2015 Estimate: 1,569,257,557 D4-gallons produced
- 2015: Over 300 million D4-gallons imported
- Production credit as proposed by NBB seeks to raise biodiesel prices by backing out imported D4 fuels.



# Biodiesel Tax Credit Changes Ability to Hit Targets

- You cannot achieve an increase in D4 fuels mandate while reducing the security of production
- Coastal production facilities will shift sales offshore impacting volume and consumer prices
- Production credit is a bad idea that will hurt American consumers and advanced biofuel production



# Solutions

- Simplify the process – EMTS as a guide for setting future RVO's
- Updated Pathways Guidance – Support EPA efforts with technical staff from other agencies
- Co-location – Solve with RVO rule, QAP or direct final rule.



# Thank You

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