



2929 Allen Parkway, Suite 4100, Houston, TX 77019

14 November 2017

The Office of Management and Budget  
725 17<sup>th</sup> Street, NW  
Washington, DC 20503

Re: Final Renewable Fuel Standards for 2018 – Cellulosic Biofuel

To Whom It May Concern:

Trillium CNG appreciates the opportunity to comment on the Final Renewable Fuel Standards for 2018. Trillium is the 2<sup>nd</sup> largest retailer of natural gas vehicle fuel in the United States, and is part of the Love's Family of Companies.

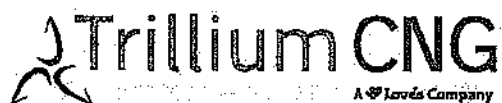
We share the goal stated in the EPA's Proposed Volume Standards for 2018: "to set the annual cellulosic biofuel percentage standard to the projected production volume." Our analysis clearly shows that the proposed volume standard of 238 million gallons is too low. Current Renewable Natural Gas (RNG) production, plus our own projects, plus the DC Circuit Court-approved method for forecasting RNG production, yields a standard of between 327 million and 358 million gallons. We feel that a volume standard in this range is both more appropriate and in keeping with the goals of the Renewable Fuels Standard (RFS) program.

Over the 5 months May through September, EMTS data shows that D3 RIN production averaged 21.3 million RINs. This increase versus the first 4 months of 2018 was due to several projects gaining EPA approval, and the repair of a major facility in Texas: those projects are now all fully operational. At a minimum, then, 2018 D3 RIN production from existing facilities will be 255.6 million gallons.

The May through September EMTS data does yet reflect 4 of the 34 EPA Registered Companies and Facilities, because they were approved so recently. One of those 4 recently approved facilities was our portion of the Meadow Branch Landfill Gas Processing project, approved on August 4<sup>th</sup>. We are also currently working on two additional registrations that will add 5 times Meadow Branch's RIN production into the market: we will submit these registrations before the end of 2017. The combination of these three facilities will generate 10 million D3 RINs in 2018.

In addition, the Coalition for Renewable Gas has submitted affidavits from RNG producers that will seek certification for 24 projects in 2018, which will add 125 million RINs to the D3 RIN pool.

We agree with the EPA's previous methodology, endorsed by the DC Circuit Court in *ACE vs EPA*, for evaluating future production from newly registered facilities, one



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that applies a 50% haircut to "biogas producers without consistent commercial production" and a 25% haircut to "biogas producers with consistent commercial production." We agree that these percentages are a reasonable allowance for the realities of time-to-market, startup interruptions, and the 60 days required for facility approval. We do not have the full information that the RNG Coalition has submitted to the EPA about which of the 24 projects do or don't have consistent commercial production, but applying these haircuts to the projected 125 million additional RINs in 2018 yields a range of between 62 million and 93 million additional RINs in 2018. We encourage you to consider these facilities individually in projecting the 2018 RVO.

We respectfully disagree with the EPA's assertion from the 2018 proposed RVO that the RNG market and its technologies are "mature," thus justifying an industry-wide rather than facility-by-facility methodology. To-date, there are 34 RNG production facilities registered with the EPA. By contrast, there are 215 facilities eligible to produce D4 RINs, 246 to produce D5, and 205 to produce D6. Adding the 24 production facilities due to come online in 2018 still only brings RNG facilities to  $\frac{1}{4}$  of the facilities able to produce each of the other RIN categories.

Adding up the annualized current production, our new and pending registrations, and the facility-by-facility projections yields a 2018 production figure of between 327 million and 358 million D3 RINs.

We thank you again for considering our analysis in laying out the 2018 RVO. Please let us know if you have any questions, require any additional information, or would like to further discuss any of the methods we have laid out, or that others have submitted to you. We share your desire to set the RVO versus the best estimate of 2018 production, and we look forward to working with you to facilitate the optimal estimate.

Best regards,

Bill Cashmareck  
Director  
Trillium CNG