



August 17, 2018

Acting Administrator Andrew Wheeler
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Dear Acting Administrator Wheeler:

On behalf of the Business Council for Sustainable Energy, I write in support of the Renewable Fuel Standard (“RFS”) and the benefits it provides for the American economy. Of particular interest to our members are the categories that encourage the production of biogas, Renewable Natural Gas (“RNG”) and renewable electricity. The Council supports renewable electricity from biogas and biomass including municipal solid waste (MSW). The Council is pleased to offer the following comments on the US Environmental Protection Agency’s Proposed 2019 Standards for the Renewable Fuel Standard Program (“RFS”) (June 26, 2018), docket ID No. EPA-HW-OAR-2018-0167.

BCSE is a coalition of companies and trade associations from the energy efficiency, natural gas, propane, and renewable energy sectors, and includes independent electric power producers, investor-owned utilities, public power, commercial end-users, and environmental and energy market service providers.

Founded in 1992, the Council advocates for policies at the state, national and international levels that increase the use of commercially-available clean energy technologies, products, and services. The coalition's broad-based business membership is united around the revitalization of the economy and the creation of a secure and sustainable energy future for America. As a broad coalition, not all members endorse or take positions on the issues discussed in these comments.

The Council supports the Renewable Fuel Standard, which promotes American security and energy independence by placing value on the development of American fuels. Utilizing a diverse portfolio of clean energy options available for emissions reductions will make the US economy stronger and increase resilience. The technologies represented in the advanced biofuel (D5) and cellulosic biofuel (D3) categories are a key component of that diverse energy portfolio.

For example, according to the Council’s 2018 [Sustainable Energy in America Factbook](#), renewable natural gas makes up a large share of total natural gas fuel sales for vehicles. Last year (2017) saw a 44.5% increase over 2013 levels in natural gas used for vehicles. Further, many projects generating renewable natural gas and renewable electricity are municipally-owned facilities, such as waste-to-energy and biomass facilities, landfills and wastewater treatment plants, providing infrastructure and other improvements to turn waste into a resource.

Ensuring a Successful Renewable Fuel Standard

The Council is pleased that the called-for volumes in the proposed 2019 standards represent over a 30% increase over the 2018 volumes. However, the Council encourages EPA to ensure it is capturing the full range of benefits of Renewable Natural Gas and renewable biomass including the biogenic portion of municipal solid waste, in the proposed standards for the 2019 Renewable Volume Obligation (“RVO”). While the Council supports the use of historical data, historical data

and trends alone are insufficient to project the volumes of renewable natural gas that could be provided in future years. The target volumes for the D3 category for 2019, 358 million gallons, while representing an increase, do not take into account EPA's own projections for gas used as transportation fuel in 2019 (580 million gallons), or positive regulatory changes in California that are likely to result in a significant increase in CNG/LNG production. They also do not include available qualifying electricity used for transportation.

In order to maintain a successful RFS that functions the way Congress intended, it is essential to employ the most accurate methodologies for calculating the RVO. The Council joins the American Biogas Council and others in requesting that EPA include current market data when establishing RVO estimates, including data from construction in progress, and investments made. Continuing to use facility-by-facility assessment of potential production would also improve the accuracy of the RVO.

Activating the Electricity from Renewable Fuels Pathway

The Council also wishes to highlight that EPA is missing a significant opportunity to take advantage of renewable fuels by not activating the renewable electricity pathway. The unrealized potential for electricity derived from biogas and solid forms of biomass, including woody biomass and the biogenic portion of municipal solid waste, used as transportation fuel could significantly contribute to the program; EPA ruled in 2010 that electricity from renewable fuels qualifies for RINs but has yet to process any applications for electric pathways.

The Council encourages EPA to include qualifying electricity, and pathway applications submitted by biogas and renewable biomass including the biogenic portion of MSW when establishing RVO estimates. Activating the renewable electricity pathway would have a positive impact on existing infrastructure that provides local governments with tools to manage biogas and solid forms of biomass waste including agriculture, forest and municipal solid waste through the generation of electricity. The electricity pathway could also drive investment, job creation, and spur the construction of more biogas, biomass and waste-to-energy infrastructure.

Conclusion

An inaccurate RVO would have significant market impacts, costing jobs, slowing investment, and discouraging confidence in the Renewable Fuel Standard. The RNG and biogas industries are growing and can grow faster with a well administered RFS that recognizes projects coming online next year and better anticipates future growth. Additionally, an RFS that takes into account an activated renewable electricity pathway would positively impact the sustainability of existing biomass and waste-to-energy infrastructure, which have faced premature closures in recent years. The Council encourages EPA to ensure a successful RFS program by accurately taking into account the opportunities and growth of the advanced biofuel (D5) and cellulosic biofuel (D3) industries, and supports further action to activate the electricity from renewable fuels pathway.

Thank you for the opportunity to submit comments on the RFS, and the Council looks forward to working with EPA in this process to ensure a successful program.

Sincerely,



Lisa Jacobson
President, Business Council for Sustainable Energy