

Renewable Fuel Standard Proposed “Set” Rule

December 15, 2022



Contents of the Proposed Rule



- Proposes required volumes for 2023-2025
 - Takes comment on select alternatives
- Proposes new regulations governing eRIN generation (renewable electricity RINs)
- Proposes other regulatory modifications to strengthen the program (e.g., biogas)
- Includes comprehensive Regulatory Impact Analysis

Volumes under the “set” authority



- The Clean Air Act does not list volume targets for years after 2022
 - Instead, the statute requires EPA to set volumes for years after 2022 based on analysis of multiple factors
- The Statute is silent on question of how many years the set rule can cover
 - The draft NPRM includes volume requirements and associated percentage standards for three years, 2023 – 2025
 - The NPRM requests comment on volumes for 2026 and whether the rule should extend to 4 years of volume-setting
- The draft rule includes the second of two “supplemental standards” of 250 million gallons to address the court's remand of the 2016 total renewable fuel standard
 - The first 250-million gallon supplemental standard was added to the required 2022 conventional volumes as part of the volume rule finalized on June 3, 2022

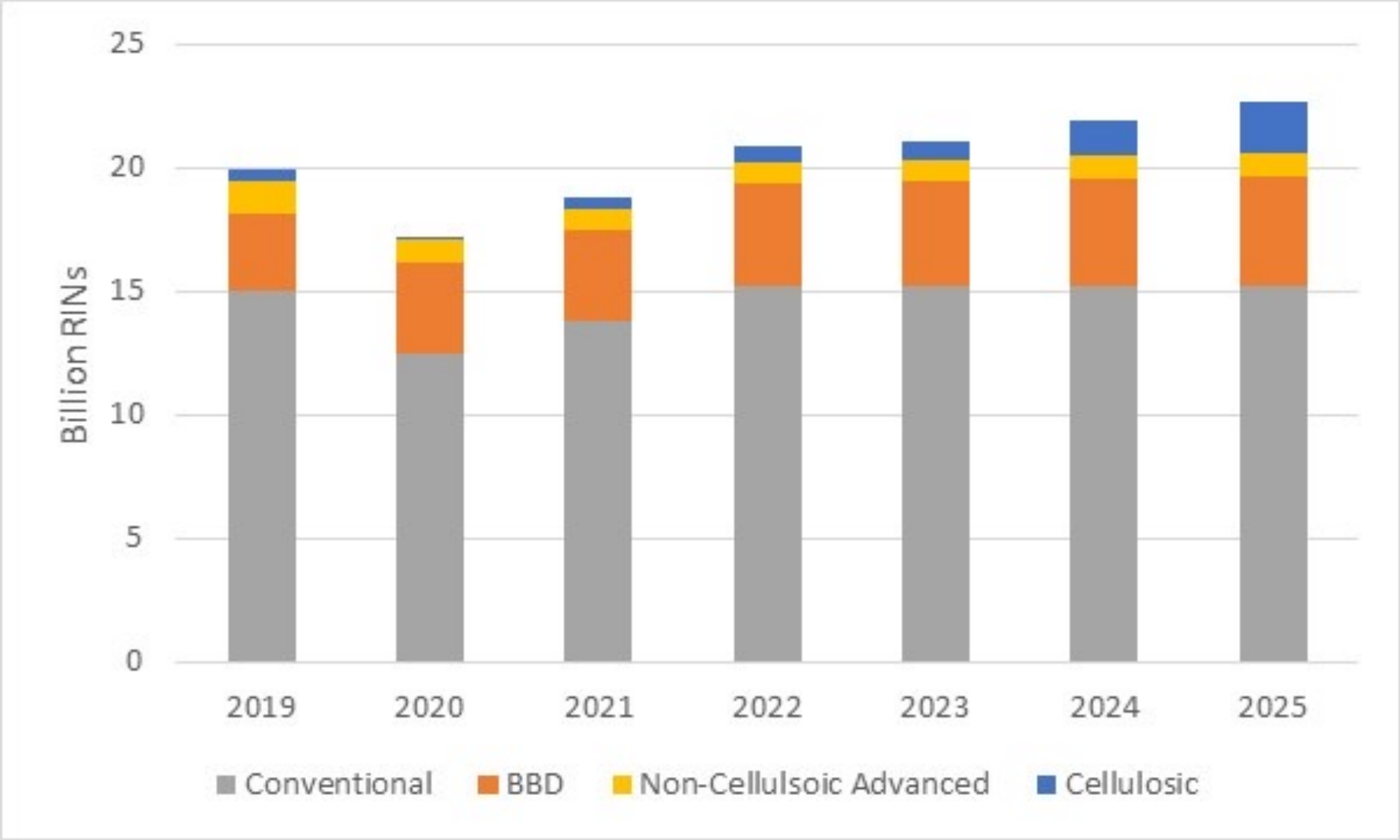
Set NRPM Volume Summary

(billion RINs)

	2023	2024	2025
Cellulosic biofuel	0.72	1.42	2.13
Biomass-based diesel^a	2.82	2.89	2.95
Advanced biofuel	5.82	6.62	7.43
Total renewable fuel	20.82	21.87	22.68
Supplemental volume requirement	0.25	0	0
Conventional	15.25	15.25	15.25

a: Gallons

RFS Volumes: 2019 – 2025



Factors that Must Be Analyzed ("20 Factors")



- **Economic impacts**

- Food prices
- Cost to consumers of transportation fuel
- Cost to transport goods
- Job creation
- Rural economic development
- Price of agricultural commodities

- **Environmental impacts**

- Air quality
- Water quality
- Climate change
- Conversion of wetlands
- Ecosystems
- Wildlife habitat

- **Other Factors**

- Review of implementation of the program in prior years
- Expected annual rate of future commercial production
- Energy security
- Supply of agricultural commodities
- Infrastructure, including :
 - Deliverability of materials, goods, and products other than renewable fuel
 - Sufficiency of infrastructure to deliver and use renewable fuel
- Water supply

Upcoming Schedule



- Public Hearing (Virtual) January 10 (and 11 if necessary)
- Register by January 3 at <https://forms.gle/viyXCuhHLNpdRaoi9>
- Close of comment period February 10
- FRM Consent Decree deadline June 14