COLLIN C. PETERSON
7TH DISTRICT, MINNESOTA

COMMITTEE ON AGRICULTURE
RANKING MEMBER

2109 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
TELEPHONE: (202) 225-2165
FAX: (202) 225-1593
INTERNET: www.house.gov/collinpeterson

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

October 20, 2015

The Honorable Gina McCarthy
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue N.W.
Washington, DC 20004

Dear Administrator McCarthy:

As members of the Congressional Biofuels Caucus, we write to express our concern regarding the Environmental Protection Agency's (EPA) proposed rule on renewable volume obligations (RVOs) for 2014 and subsequent years under the Renewable Fuel Standard (RFS). We urge you to make significant changes to this proposed rule, use criteria found in statute for determining domestic biofuel volumes, and follow Congressional intent when it passed the RFS.

The RFS is a key piece of our nation's energy policy and it is working. The RFS has driven billions of dollars of investment in the biofuel sector in the United States and has created and supported hundreds-of-thousands of U.S. jobs, while also enhancing our nation's energy security and delivering reliable renewable energy to market. Setting aggressive biofuel volume requirements is essential to continuing growth in our homegrown energy sector.

Unfortunately, the EPA's proposed rule is inconsistent with the intent of the law. The proposed rule adopts a zero-growth approach and proposes limiting the annual blending targets based on available infrastructure—a criteria that is not included in the EPA's clearly defined statutory waiver authority and was expressly rejected by Congress during the conference committee of the 2005 Energy Act (P.L. 109-58).

We are also concerned that the EPA's continued delay and misinterpretation of the RFS could provide yet another avenue to shortchange the future of the biofuel industry. The RFS includes a "reset" provision that takes effect after 2016 if the EPA has reduced any of the mandated amounts by at least 20% for two consecutive years or by at least 50% for a single year. Should the EPA undermine the biofuel industry with insufficient volume requirements in the final rule, and use those very targets as the justification for a reset, it would add insult to injury for an industry already hamstrung by uncertainty. Instead we urge the EPA to set forth a strong methodology that reflects the original Congressional intent and is consistent with the long-term energy production goals of the RFS. Certainty in the biofuel market will unfreeze capital investments that have been waiting on the sidelines for far too long.

DISTRICT OFFICES

714 LAKE AVENUE
SUITE 107
DETROIT LAKES, MN 56501
(218) 847-5056
FAX: (218) 847-5109

1420 EAST COLLEGE DRIVE
MARSHALL, MN 56258
(507) 537-2299
FAX: (507) 537-2298

MN WHEAT GROWERS BUILDING
2603 WHEAT DRIVE
RED LAKE FALLS, MN 56750
(218) 253-4356
FAX: (218) 253-4373

324 3RD STREET S
SUITE 4
WILLMAR, MN 56201
(320) 235-1061
FAX: (320) 235-2651

The decisions your agency makes in the coming weeks and months about the volumes for 2014, 2015, and 2016, as well as a decision on the biomass-diesel volume for 2017, will set the trajectory for the biofuel industry for decades to come. We again urge you to make significant changes to the final rule and follow clear Congressional intent in existing statute.

Sincerely,

Collin C. Peterson
Member of Congress

Rodney Davis
Member of Congress

Kristi Noem
Member of Congress

Dave Loebsack
Member of Congress

Rod Blum
Member of Congress

Tim Walz
Member of Congress

Brad Ashford
Member of Congress

Tom Emmer
Member of Congress

Jeff Fortenberry
Member of Congress

Steve King
Member of Congress

David Young
Member of Congress

Cheri Bustos
Member of Congress

Mark Pocan
Member of Congress

Tammy Duckworth
Member of Congress

Marcy Kaptur
Member of Congress

Mike Bost
Member of Congress

Sam Graves
Member of Congress