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Renewable Fuel Standard Program/Proposed Standards for 20232025: Energy Marketers of America Submits Comments to U.S. Environmental Protection Agency

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The Energy Marketers of America ("EMA") submitted February 10th comments to the United States Environmental Protection Agency ("EPA") addressing the proposed:

Renewable Fuel Standards for 2023-2025 and Other Changes

See Docket ID No. EPA-HQ-OAR-2021-0427.

EMA describes itself as a federation of 47 state and regional trade associations representing family-owed and operated small business energy marketers throughout the United States. Their members are stated to supply 80 percent of all finished motor and heating fuel products including:

- Renewable hydrocarbon biofuels
- Gasoline
- Diesel fuel
- Biofuels
- Heating fuel
- Jet fuel
- Kerosene
- Racing fuel
- Lubricating oils

The Arkansas Oil Marketers Association is a state chapter of EMA.

The Renewable Fuel Standard ("RFS") program was created under the Energy Policy Act of 2005 which amended the Clean Air Act. The Energy Independence and Security Act of 2017 expanded the RFS program. EPA implements the program through coordination with the United States Department of Agriculture and Department of Energy.

The RFS program incorporates a national policy requiring a certain volume of renewable fuel to replace or reduce the quantity of petroleum-transportation fuel, heating oil or jet fuel. There are four renewable categories. They include:

Biomass-based diesel

- Cellulosic biofuel
- Advanced biofuel
- Total renewable fuel

The RFS program addresses refiners or importers of gasoline or diesel fuel. They achieve compliance with the RFS requirements by either:

- Blending renewable fuels into transportation fuels
- Obtaining credits (renewable identification numbers [RINs]) to meet the renewable volume obligation ("RVO") specified by EPA

EPA sets RVOs every year through a rulemaking.

EMA's February 10th comments note by way of introduction that it supports what it describes as the RFS's twin goals of:

- Moving the United States toward greater energy independence and security
- Increasing the production of clean renewable fuels

This is stated to include supporting the sale and distribution of all liquid motor and heating fuels including renewable fuel blends mandated under the RFS. However, the trade association states that such mandates must reflect market demand and not result in fuel blends that are noncompatible with storage and dispensing equipment at retail fueling stations. It further notes:

... Fuel compatibility is essential not only for supplying fuel to end users through existing petroleum storage and distribution infrastructure but, also to meet customer expectations for quality, performance and operability.

Support is expressed for its belief that:

... EPA is now free under the proposed "set" rule to adopt annual renewable volume obligations (RVOs) based on market demand and compatibility rather than artificial statutory mandates.

EMA's comments also address:

- Proposed RFS Volume Targets for 2023, 2045 and 2025
- E15 Compatibility (expressing concern that ethanol blends greater than E10 are not compatibility with the vast majority of underground storage and dispensing equipment currently in service)
- E15 Compatibility Costs
- Biomass-Based Diesel and Advanced Biofuels
- eRINS as a Renewable Fuel Pathway
- RIN Separation Limits

A copy of the comments can be downloaded here.