EPA Proposes 2013 Renewable Fuel Standards

Under the Clean Air Act Section 211(o), as amended by the Energy Independence and Security Act of 2007, the Environmental Protection Agency (EPA) is required to set the annual standards under the Renewable Fuel Standard program (RFS) for the following year based on gasoline and diesel projections from the Energy Information Administration (EIA). EPA is also required to set the cellulosic biofuel standard each year based on the volume projected to be available during the following year, using EIA projections and assessments of production capability from industry. This regulatory action proposes to establish the annual percentage standards for 2013 for cellulosic, biomass-based diesel, advanced biofuel, and total renewable fuels that apply to all gasoline and diesel produced or imported in year 2013.

EPA is also required to determine and promulgate the applicable volume of biomass-based diesel that will be required in 2014, as the statute does not specify the applicable volumes for years after 2012. EPA is setting the applicable volume of biomass-based diesel that will be required in 2014 in a separate action.

General Background

This rulemaking provides an evaluation of the expected volumes of cellulosic biofuel for 2013. We are proposing to set the 2013 standard for cellulosic biofuel at 14 million gallons. The approach to developing the cellulosic standards being proposed for 2013 is consistent with a ruling from January 2013 by U.S. Court of Appeals for D.C, and we believe the sum of these volumes expected by the specific companies

noted in the proposal (14 million gallons) is a reasonable representation of expected production. This projection reflects EPA's current estimate of what will actually happen in 2013, and we will consider public comments before setting the final cellulosic standard. This action also proposes to set the 2013 volume requirements for advanced biofuel and total renewable fuel at the levels required by the statute 2.75 and 16.55 billion gallons, respectively. EPA previously set the 2013 volume requirement for biomass-based diesel in a separate action, finalizing a volume of 1.28 billion gallons. All volumes are ethanol-equivalent, except for biomass-based diesel which is actual.

Final Percentage Standards for 2013

To calculate the percentage standard for cellulosic biofuel for 2013, EPA used a volume of 14 million ethanol-equivalent gallons. EPA is also using the applicable volumes that are specified in the statute to set the percentage standards for advanced biofuel and total renewable fuel for 2013. These volumes are shown in Table 1.

Table 1
Volumes Used to Determine the Proposed 2013 Percentage Standards[a]

Cellulosic biofuel	14 mill gal
Biomass-based diesel	1.28 bill gal
Advanced biofuel	2.75 bill gal
Renewable fuel	16.55 bill gal

[a] All volumes are ethanol-equivalent, except for biomass-based diesel which is actual.

The volumes in Table 1 are the minimum that would need to be consumed in the U.S. Insofar as excess volumes of cellulosic biofuel or biomass-based diesel were to be consumed, they would count towards the advanced biofuel and total renewable fuel volume requirements.

Four separate percentage standards are required under the RFS program, corresponding to the four separate volume requirements shown in Table 1. The percentage standards represent the ratio of renewable fuel volume to non-renewable gasoline and diesel volume. Thus, in 2013 about 10% of all fuel used will be from renewable sources. The standards for 2013 are shown in Table 2.

Table 2
Proposed Percentage Standards for 2013

Cellulosic biofuel	0.008%
Biomass-based diesel	1.12%
Advanced biofuel	1.60%
Renewable fuel	9.63%

For More Information

For more information on this proposal, please visit the RFS website at:

www.epa.gov/otaq/fuels/renewablefuels

To submit a question on the RFS program, and to view Frequently Asked Questions, please visit:

www.epa.gov/otaq/fuels/renewablefuels/compliancehelp/index.htm

Regulatory Announcement