AR-RFSletter-fwk

IFB submits comments to U.S. EPA regarding RFS

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**FarmWeek**

Illinois Farm Bureau recently submitted comments on behalf of more than 79,000 farmer members to the U.S. Environmental Protection Agency (EPA). The comments included an overview of Illinois’ ethanol industry, the effects of excessive Small Refinery Exemptions (SREs) and opposition to the Renewable Fuel Standard (RFS) proposed rule. In addition, more than 1,600 IFB members submitted comments in opposition to the proposed rule.

Illinois, the third-largest ethanol producer in the U.S., has 14 plants totaling 1.852 billion gallons of production capacity. This provides a market for roughly 660 million bushels of corn, or one in every three to four bushels produced in Illinois.

Since the increase in SRE waivers, both the ethanol and agricultural industries have taken a hit. In just the past year, two of Illinois’ ethanol plants were idled, and others have reduced production. Yet another chose not to build a new plant in Scott County, citing factors such as anti-business policy in Illinois and trade tariffs.

Some other side effects of decreased ethanol demand include lower corn prices, higher distillers’ grain prices for livestock feed and decreased net farm income.

IFB’s response to reduced ethanol production is clear: “Our association’s policy opposes attempts to defund, repeal or rollback implementation of the RFS and the agency’s current misuse of its waiver authority for the purposes of reducing the amount of renewable fuel blended in the nation’s motor fuel supply.”

In 2005, IFB worked with other industry advocates to pass the RFS, and similarly again in 2007 to pass the RFS-2.

Under former EPA Administrator Scott Pruitt, the agency began approving almost every SRE petition from 2016 to 2018. As a result, more than 4 billion gallons of renewable fuel obligations were exempted. Fast forward to October 4, 2019, and EPA announced an RFS deal that stakeholders praised. In the days that followed, EPA released the proposed rule in detail, which did not account for actual waived gallons.

During this time, Congressman Rodney Davis, R-Taylorville, introduced the Small Refinery Exemption Fairness Act (HR 4385), which IFB strongly supports.

In closing to EPA, IFB stated: “IFB strongly recommends that you model your supplementary rule to account for the full volume of waived gallons on the provisions of HR 4385. Only then can the agency fairly and permanently address the recent mysterious and harmful SRE proliferation while preserving both the intent and integrity of the RFS.” The comments were signed by Richard Guebert Jr., IFB president.

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