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Subject: Fwd: BIOFUELS: EPA to be 3 years late reporting on standard's impacts

From: Jack CEO

CC:

To: Frank Macchiarola

Louis A. Finkel Jack Gerard

Redacted

Sent from my iPad

On Aug 18, 2016, at 2:49 PM, Jack Gerard <

> wrote:

BIOFUELS: EPA to be 3 years late reporting on standard's impacts

Marc Heller, E&E reporter

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U.S. EPA needs an additional year to complete a report on biofuels' environmental impacts that's already two years late, officials told the agency's inspector general.

During the IG's investigation of EPA's failure to meet a congressional requirement to detail the impacts of the renewable fuel standard, agency officials promised that the legally mandated assessment is coming, but well after the Obama administration ends.

The review of the RFS's effect on land uses and other environmental impacts will be released by the end of 2017, EPA acting Assistant Administrator for Air and Radiation Janet McCabe said in a written response published with the IG report. The RFS law requires that report every three years; the last was completed in 2011. According to the IG, EPA officials blamed budget cuts to the Office of Air and Radiation and a lack of congressional feedback on the first, and only, environmental and conservation impact report for the decision not to prepare the required report.

The IG also looked into another agency review aimed at the RFS's potential effect on air quality — a so-called anti-backsliding study examining the effects of vehicle emissions. That won't be completed until 2024, EPA said, due to the amount of preliminary work necessary to conduct it.

The IG said it conducted its audit from November 2015 until June.

In June, EPA's delay in submitting the congressionally mandated report drew criticism from Rep. Peter Welch (D-Vt.) at a hearing. He said Congress needs the information in order to assess the program's effectiveness (<u>Greenwire</u>, June 28).

Welch, an opponent of the RFS, raised concerns that the mandate may be triggering farmers to convert land from conservation purposes to corn production. At the hearing, he cited a University of Wisconsin study from 2015 showing that 7 million acres of land was converted to crops, including corn and soy used for biofuel, between 2002 and 2008.

Farm groups say increased corn and soy acreage may be related to budget cuts in the Department of Agriculture's Conservation Reserve Program, leading to fewer acres enrolled.

Welch has joined other lawmakers in proposing legislation to cap the biofuels mandate at a mixture of no more than 9.7 percent ethanol, rather than the 10 percent blend often seen now.

At that hearing, McCabe told Welch "we don't like missing deadlines" but offered no time frame for providing the report.

In the agency's response to the IG report, McCabe said her office "continues to work closely with industry and other stakeholders to monitor the state of biofuel-related science and conduct various analyses, as needed." For the backsliding study, EPA didn't initially give the IG an idea when the work would be completed, the watchdog agency said. In a subsequent communication, however, the agency said the study cannot proceed without intermediate research.

The agency said such steps might include "development of baseline, current, and projected scenarios for how renewable fuels have and might be produced, distributed, and used to fulfill the RFS requirements, generation of emissions inventories, and air quality modeling, all of which are time-consuming and resource-intensive."

Proponents of the RFS say they believe the studies will show benefits such as reduction in carbon emissions. The Renewable Fuels Association has been pressing EPA for such information, the group's president and chief executive officer, Bob Dinneen, said in a statement.

"We are confident that once EPA conducts these required studies, they will show that biofuels like ethanol are significantly reducing greenhouse gas emissions, even above the threshold reductions," Dinneen said.