

United States Senate  
WASHINGTON, DC 20510

June 4, 2014

The Honorable Gina McCarthy  
Administrator, Environmental Protection Agency  
U.S. EPA Headquarters  
1200 Pennsylvania Ave, NW  
Washington, DC 20460

Dear Administrator McCarthy:

We are writing today regarding the Environmental Protection Agency's plans announced in March 2014 to modify the agency's pathway approval process for new biofuels. In recent months, EPA's actions have increased the risk of investing in the renewable fuels industry by creating uncertainty in the marketplace, which has put investment dollars in jeopardy and slowed the deployment of domestic renewable fuels. We urge you to change course.

Last fall, EPA proposed blending targets for 2014 that would blend less fuel than in 2013. The proposed rule used an approach that is inconsistent with the law and previous regulations by inserting considerations about fuel delivery infrastructure into the annual target-setting process.

Further, in March 2014, the agency announced plans to "improve the petition process for new renewable fuel pathways." For far too long, delays in the petition process have been an impediment rather than an on-ramp to the commercialization of new biofuel technologies. EPA's own data shows it has approved only 42 percent of the petitions received for new renewable fuel pathways. The average wait for approval is 17 months, and for companies filing cellulosic biofuel pathways the wait times have averaged 24 months. These delays have slowed deployment of new advanced biofuel technologies and put investment dollars at risk.

We are pleased that EPA has recognized this situation and is taking long overdue steps to rectify it. Unfortunately, the agency has also announced it intends to cease processing all but what have been identified as "priority" applications and has suggested that new applicants consider waiting until this process is resolved before filing their applications for pathway approval. This approach is yet another agency action that will slow the deployment of new fuels of all types.

We request more information detailing the agency's plans to improve the petition process, including why EPA cannot continue the processing of pending pathway applications simultaneously with efforts to improve the petition process and why the agency has suggested that applicants wait to file new petitions until the process is resolved.

The United States is leading the transition away from oil to renewable transportation fuels. We cannot afford to cede this leadership role and slow our own progress at such a critical time for the sector. We urge you to reconsider the agency's approach on both the 2014 Renewable Volume Obligation targets and pathway approval changes.

Sincerely,

  
Joe Donnelly  
U.S. Senator

  
Mike Johanns  
U.S. Senator