



# News Release

## EPA's Renewable Fuels Decision Step in Right Direction

**November 30, 2015**—The [Environmental and Energy Study Institute](#) (EESI) is cautiously optimistic that the Environmental Protection Agency's (EPA) decision to release renewable fuel volumes for 2014, 2015 and 2016 will allow renewable fuels to surpass 10 percent of the U.S. fuel supply going forward.

While EPA has not reinstated the Congressionally-mandated fuel volumes outlined in the 2007 law that created the Renewable Fuel Standard (RFS), this is a step in the right direction. The finalized fuel volumes are over a billion gallons higher than the volumes proposed in June, and most importantly, surpass 10 percent of the fuel supply by a small margin.

In allowing fuel volumes to breach the so-called "blend wall" of 10 percent ethanol (albeit slightly), EPA is sending an important signal to the renewable fuels industry and demonstrating that the government will continue to support the development of clean, high performing and low-carbon transportation fuels, such as cellulosic ethanol. It should be noted that the fuel volumes contained within the RFS are a floor and not a ceiling.

Cellulosic ethanol can be made from agricultural and organic wastes, as well as purpose-grown feedstocks such as grasses and algae that are not meant for human consumption. To qualify as an advanced fuel, cellulosic ethanol must meet a minimum of 60 percent greenhouse gas (GHG) reduction when compared to conventional gasoline. [Analyses from the Department of Energy's Argonne National Laboratory](#) have shown potential greenhouse gas reductions upwards of 90 percent for cellulosic feedstocks.

Today's announcement by EPA is a small but perceptible shift that signals the administration's recommitment to growing a clean, renewable, domestic fuel industry. In previous proposals, citing infrastructure challenges, EPA had given credence to the so-called "blend wall" of 10 percent ethanol and artificially capped ethanol below 10 percent. In truth, the "blend wall" is a policy barrier, not a technical one. To breach it, and increase total volumes of the cleanest renewable fuels, investors have said over and over that they need a stable policy environment provided by a robust Renewable Fuel Standard.

"The administration has been carefully building strong domestic policies to address climate change. The Renewable Fuel Standard is part and parcel of U.S. climate policy and should be seen as a valuable component of the country's climate action plan at the Paris climate summit. Contrary to what the petroleum industry would have you believe, the Renewable Fuel Standard has actually avoided a tremendous amount of greenhouse gas emissions," commented EESI Policy Associate Jessie Stolark. "By breaking through the 'blend wall' in 2016, the administration is hopefully showing its willingness to continue increasing the total volume of clean, renewable and homegrown fuels in subsequent years, fulfilling the core intent of the law."

According to a [recent analysis by Life Cycle Associates](#), the Renewable Fuel Standard has avoided 354 million metric tons of carbon dioxide emissions in its ten-year history.

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