New York City Tour

Paul Winters
Director, Public Affairs and Federal Communications
WHO IS NBB?

**Membership:**
• Diverse membership of more than 100 companies and state soybean boards.

**Mission:**
• NBB serves as the U.S. biodiesel industry’s voice.
• Advance the interests of our members by creating sustainable biodiesel industry growth.

**Success:**
• Government affairs;
• Communications;
• Market development;
• Technical and quality assurance programs.
WHAT ARE BIODIESEL AND RENEWABLE DIESEL?

**ASTM D6751**
Biodiesel – A fuel comprised of mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats.

**ASTM D7467**
Biodiesel blends B6 – B20.

**ASTM D975**
Renewable diesel – A fuel that is chemically similar to diesel – produced through hydrotreating and other processes – derived from biomass. Same ASTM standard for petroleum diesel.

**ASTM D396**
BioHeat – Heating fuel containing a blend of biodiesel and ultra low sulfur heating oil.
The definition for advanced biofuel exists because of the RFS.

- A fuel produced from qualifying renewable biomass that reduces GHG emissions by 50% compared to petroleum diesel.
- Biodiesel and renewable diesel reduce GHG emissions by 57% to 86%.

U.S. use of biodiesel and renewable diesel grew rapidly, thanks to the RFS and the biodiesel tax incentive.
HOMEGROWN FUEL

U.S. is world’s top biodiesel producer.

Biodiesel is top alternative fuel choice for fleets.
Nat. Work Truck Assoc. & American Transportation Research Institute.

Biodiesel is top choice among liquid fuels for reducing carbon emissions.
California Air Resources Board
The RFS drives diversity in the fuels market.

Soybean oil remains the primary feedstock – nearly half.

Used cooking oil, rendered animal fats now make up nearly a third of feedstocks.

Distillers Corn Oil – a byproduct of ethanol production – was not produced prior to the RFS.

How much soybean oil?

- 2008 – 2.0 billion lbs.
- 2016 – 5.7 billion lbs.
- 2017 – 6.2 billion lbs.
- 2018 – 7.1 billion lbs.
- 2019 – 8.2 billion lbs. (USDA projection).
# ENVIRONMENTAL AND OTHER BENEFITS

## Clean Air
- Reduce carbon emissions up to 86%
- Reduce engine particulate emission more than 45%
- Reduce processing wastewater by 79%; eliminate 96% of hazardous waste

## Farm Value
- Add 11% to soybean price; $0.63 per bushel long-term.
- Added $2.5 billion to soybean values in 2018; $35 per acre.
- Decreases soy meal prices $20 to $40 per ton long-term. Saved livestock producers $5 billion in feed costs from 2006-2014.

## Energy Security
- Consumers saved at least 17 cents on every gallon of diesel in 2017 – a total of nearly $10.6 billion overall.

---

### Cumulative Effect of US Biodiesel and Renewable Diesel Marketplace

**SINCE 2004**
- **Reduced CO2 by 143 million metric tons**
- **Reduced Carbon by 3.7 billion**
- **Preserving 168 million acres**
- **Growing 3.7 billion trees**

**Cars**
- 30.6 million
- All the registered cars in California

**Mature Forests**
- As many acres as Oregon & California
EPA’s small refinery exemptions reached massive proportions in 2017.

The impact falls heaviest on biodiesel and other advanced biofuels. EIA is now lowering its outlook for biodiesel.
## RFS AFTER 2022

<table>
<thead>
<tr>
<th>RVO</th>
<th>Interagency review expected shortly.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EPA has committed to finalizing the 2020 RFS annual rule on time (Nov. 30).</td>
</tr>
<tr>
<td></td>
<td>EPA may also address the 500-million-gallon remand from 2016.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RIN Reform</th>
<th>Proposed in conjunction with E15 rule.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NBB is opposing the RIN Reform proposals, because there is no evidence of RIN trading problems.</td>
</tr>
<tr>
<td></td>
<td>Deadline for comments is April 29.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reset</th>
<th>Final 2019 rule triggered reset for remaining statutory volumes (cellulosic, advanced, and overall).</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>New volumes for 2021-2022 to be based on a “review of the implementation of the program” and other factors.</td>
</tr>
<tr>
<td></td>
<td>Should be the same process used to set BBD volumes since 2013.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Set</th>
<th>The agency will also set BBD volumes for future years.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EPA will not change the BBD volume for 2020, set last November.</td>
</tr>
<tr>
<td></td>
<td>Once EPA sets future BBD volumes, they will only translate them to RVO percentages in annual rules.</td>
</tr>
</tbody>
</table>
April 4 – Reps. Finkenauer (D-IA), Kelly (R-PA), Kind (D-WI) and Smith (R-NE) introduce the Biodiesel Tax Credit Extension Act of 2019 (HR 2089).


Dec. 20 – House passes HR 88, containing a seven-year extension and phaseout of the biodiesel tax credit.
TRADE CASE IMPACTS Biodiesel Imports

2014-2016
- Argentina and Indonesia capture large percentages of the U.S. market by subsidizing their exports and selling below fair market value.

2017
- NBB’s Fair Trade Coalition pursued a successful trade case that stopped the unfair trade.

2018
- With a level playing field, U.S. producers increased production by more than 300 million gallons.
- Increases in all categories (biodiesel, renewable diesel, Bioheat, renewable jet fuel).

Monthly Biodiesel Imports 2014-2018

Source: EIA Monthly Biodiesel Production Report
PANEL

- **Bill Horan,**
  Chairman of the Board, Western Iowa Energy, Wall Lake, IA

- **Shawn Triscuit,**
  Director of Sales, HERO BX, Erie, PA

- **Cliff Smith,**
  General Manager, Mid-America Biofuels, Mexico, MO