



Clean Fuels
ALLIANCE AMERICA

VIA ELECTRONIC FILING
July 5, 2023

U.S. Environmental Protection Agency
EPA Docket Center
Mail Code 28221T
1200 Pennsylvania Avenue NW
Washington, DC 20460

Docket ID No: EPA–HQ–OAR–2022– 0829

Re: Comments of Clean Fuels Alliance America on Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles¹

Dear Administrator Regan,

Clean Fuels Alliance America (Clean Fuels) is the U.S. trade association representing the entire biodiesel, renewable diesel, and sustainable aviation fuel supply chain, including producers, feedstock suppliers and fuel distributors. Made from an increasingly diverse mix of resources such as recycled cooking oil, soybean oil, and animal fats, the clean fuels industry is a proven, integral part of America's clean energy future. We serve as the clean fuel industry's primary organization for technical, environmental, and quality assurance programs and are the strongest voice for its advocacy, communications, and market development.

The biodiesel and renewable diesel industry is on a path to sustainably double the market to 6 billion gallons annually by 2030, eliminating at least 35 million metric tons of CO₂ equivalent greenhouse gas emissions annually with our members leading the U.S. companies investing in new biodiesel, renewable diesel and SAF capacity. These fuels are among the cleanest and lowest-carbon fuels available today to help reduce greenhouse gas (GHG) emissions now and are available to meet President Biden's near- and long-term climate goals.² To date, the utilization of low carbon liquid fuels like biodiesel and renewable diesel reduces greenhouse gas emissions by more than 70% on average, directly and immediately reducing GHG emissions from the vehicles that use our fuels.

¹ U.S. Environmental Protection Agency. Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles, EPA–HQ–OAR–2022–0829, 88 FR 29184 (May 5, 2023), available at <https://www.federalregister.gov/d/2023-07974>

² Executive Office of the President. Executive Order 14008: Tackling the Climate Crisis at Home and Abroad, 86 FR 7619 (February 1, 2021), available at <https://www.federalregister.gov/d/2021-02177>

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Our fuels reduce more than just greenhouse gas emissions. Biodiesel and renewable diesel also reduce criteria pollutants from existing diesel engines, reducing health and environmental impacts in major trucking corridors, warehouse distribution centers and other diesel hot spots close to major population sectors. This means that using these fuels today will also lower health care impacts and costs for all populations living in and near these areas including minority, low-income, and indigenous populations.

Low-carbon liquid fuels are the lowest cost option for decarbonization and can be used in every diesel-fueled application or engine technology today. Our fuels are being used in fleets utilizing medium-duty vehicles around the country and provide reliable transportation for those with unknown schedules and unplanned routes, including emergency vehicles, tow trucks, and snowplows. It cannot be overlooked that the medium-duty sector will continue to rely on the internal combustion engines when you consider the decades it will take to pursue across the board electrification and other decarbonization strategies. As a result, EPA cannot discount the immediate benefits biodiesel and renewable diesel have and will continue to bring as we decarbonize the medium-duty sector.

While the proposed rule outlines fuel neutral standards, in order to meet the across-fleet average of a 44% GHG reduction by 2032, EPA is in fact forcing the adoption of zero-emission vehicles. The proposed rule ignores the potential to achieve similar emissions reduction goals by simply increasing the use of biodiesel and renewable diesel in existing and future engines. These emission reductions benefits are already being seen by fleets that have chosen to lower their GHG emissions through the adoption of biodiesel.

Climate and Air Quality Urgency

Clean Fuels clearly understands the urgency we face in terms of addressing climate and air quality. When looking at greenhouse gas (GHG) reductions today, biodiesel is a solution that reduces carbon dioxide now. Specifically, when compared to electric vehicles (EVs), utilizing biomass-based diesel now will allow the United States to meet our carbon reduction goals earlier than if we were to rely on EVs alone. The benefits of using and increasing the use of biomass-based diesel now will not only provide immediate greenhouse gas reductions, but also will have a positive impact on health in disadvantaged communities.

When considering options to help reduce greenhouse gas emissions from vehicles and equipment, there are two essential elements to consider: the amount of the reduction and when it happens. This is because carbon emissions are persistent and accumulate. The resulting increased levels of GHGs in the atmosphere contribute to global warming now and for decades to come. A reduction in GHG emissions now can avoid decades of associated heating, thus having significantly more value than carbon reductions made in the future. The time value of carbon is key, and the next decade is critical.³ The importance of reducing carbon today cannot be understated as the Intergovernmental Panel on Climate Change (IPCC) clearly reaffirmed in their Sixth Assessment Report: Carbon reductions today are more important than carbon reductions in the future.⁴

³ National Biodiesel Board. Biodiesel.org. (2021). Cutting Carbon: Comparing Biomass-Based Diesel & Electrification for Commercial Fleet Use.

⁴ Intergovernmental Panel on Climate Change. (2021). Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change.

Greenhouse Gas Emissions Standards

Per Argonne National Labs GREET model, biodiesel and renewable diesel reduce greenhouse gas emissions by more than 70% on average compared to petroleum, directly and immediately reducing GHG emissions from the vehicles that use our fuels.

The immediate reductions achieved by biodiesel and renewable diesel are crucial to reach our near- and long-term carbon reduction goals. Importantly, biofuels are already reducing GHG emissions. The biodiesel and renewable diesel industry is on a path to sustainably double the market size to 6 billion gallons annually by 2030 if not earlier and eliminating over 35 million metric tons of CO₂ equivalent greenhouse gas emissions annually. Removing this important mechanism will be detrimental to meeting our nation's clear air and energy goals.

Criteria Pollutant Emissions and Environmental Justice

In addition to reducing greenhouse gas emissions, biodiesel also reduces particulate matter emissions. This benefits all populations including minority, low-income, and indigenous populations. Clean Fuels Alliance America, through our continued partnership with Trinity Consultants, quantified the health benefits and corresponding economic savings from converting petroleum-based diesel to 100% biodiesel at 23 sites across the country.⁵

The Trinity Report assesses the health benefits of substituting biomass-based diesel in transportation-related sources currently fueled by conventional ultra-low sulfur diesel (ULSD or diesel fuel) at 14 locations and as a replacement for home heating oil in one location throughout the United States. This study expands upon the Assessment of Health Benefits from Using Biodiesel as a Transportation Fuel and Residential Heating Oil completed by Trinity Consultants in 2021. This study uses a "bottom-up" approach, focusing on specific population groups such as those living in crowded urban housing complexes and portside communities. Even greater total benefits can be seen when considering comparable communities outside of these specific markets and locations.

The research finds that switching to 100% biodiesel can provide immediate community health improvements including more than 436,000 fewer/reduced asthma cases per year; more than 137,000 fewer sick days per year; nearly 9,400 less cancer cases; the prevention of more than 885 premature deaths per year; over \$7.4 billion in avoided health costs annually; and a 45% reduction in cancer risk when legacy heavy-duty trucks such as older semis use B100.⁶

The immediacy of these potential health benefits, especially for disadvantaged communities, is even more critical when one considers the years, possibly decades, it will take for states to pursue deep electrification and other decarbonization strategies.

Costs and Consumer Savings

While the stated purpose of the proposed rule is to significantly reduce greenhouse gas emissions, hydrocarbons, nitrogen oxides, and particulate matter to result in widespread reductions in air pollution, EPA has discounted the known benefits of biodiesel and renewable diesel. Meeting clean air demands does not require switching to a zero-emissions vehicle. Biodiesel and renewable diesel are drop-in

⁵ Trinity Consultants, Assessment of Health Benefits from Using Biodiesel as a Transportation Fuel and Residential Heating Oil, (April 2022). <https://cleanfuels.org/resources/health-benefits-study>

⁶ *id.*

alternatives, achieving valuable carbon reductions today at a relatively low cost.⁷ Fleets utilizing biodiesel today view it as an opportunity to maximize their emissions reductions while minimizing any effect on their operations.

These fuels offer owners, users, and fleet operators affordable, low-carbon solutions to immediately improve the sustainability of their operations. These fuels are available now and can be used in every diesel fueled application and every engine technology. Nearly all medium-duty original equipment manufacturers (OEMs) support using biodiesel blends of 20% or more in the vehicles they produce, and the vast majority of OEMs support the use of biodiesel blends up to 20%. For those that do not, warranties cannot be voided or impacted in any way using biodiesel, due to existing federal law.⁸

When compared to other decarbonization strategies such as zero emissions and specifically electrification approaches, which require both new vehicles and infrastructure to realize the benefits, biodiesel and renewable diesel remain the lowest cost option. According to a report by Diesel Technology Forum, prospective fleets contemplating EVs immediately face 3.8 times higher upfront cost to their diesel counterparts.⁹ While new technology diesel vehicles fueled with biodiesel and renewable diesel have three times lower cost.¹⁰

Infrastructure

As EPA looks to the Inflation Reduction Act (IRA) as a policy to support charging infrastructure in conjunction with the proposed rule, it is important for EPA to consider the timeframe of such investments along with the timeframe of growing and transitioning an existing fleet. Congress demonstrated when passing IRA, the need to continue to support biofuels infrastructure growth to supply low carbon biofuels remains a priority. The U.S. Department of Agriculture's Higher Blends Infrastructure Incentive program (HBIIIP) increases the sales and use of higher blends of biodiesel by expanding the infrastructure for renewable fuels derived from U.S. agricultural products. The program by design encourages a more comprehensive approach to market higher blends by sharing the costs related to building out biofuel-related infrastructure. The expansion of biofuel infrastructure, as facilitated by HBIIIP, broadens the availability of renewable fuels like B20 and higher blends while reducing carbon emissions and harmful tailpipe pollution today. Under HBIIIP, the grants support fueling stations, convenience stores, hypermarket fueling stations, and fleet and fuel distribution facilities, including terminal operations and home heating oil distribution centers throughout the country. Federal matching grants have helped and continue to help the industry build or retrofit terminals, storage, and rail capacity to enable broader consumer access to these clean fuels and in turn clean air. This infrastructure complements existing fueling infrastructure throughout the country and does not require investment in new vehicles and a full infrastructure overhaul to realize GHG benefits.

⁷ Source: Frank, J. et al. Quantifying and comparing the cumulative greenhouse gas emissions and financial viability of heavy-duty transportation pathways for the Northeastern, United States. *Fuel*, 323, 124243, Sep. 2022. <https://doi.org/10.1016/j.fuel.2022.124243>. See Table 4.

⁸ Magnuson-Moss Warrant Act, P.L. 93-637

⁹ Environmental Benefits of Medium- and Heavy Duty Zero Emission Vehicles Compared with Clean Bio- & Renewable-Fueled Vehicles 2022-2032, Prepared for Diesel Technology Forum By Stillwater Associates LLC, Irvine, California, USA, July 19, 2022, available at <https://dieselforum.egnyte.com/dl/MWHPCRW4e6>

¹⁰ *id.*

Conclusion

The immediate and compounding benefits that biodiesel and renewable diesel provide cannot be underscored enough. We ask that EPA adjust the fuel neutral standards to reflect a more appropriate and feasible mix of technologies available in the time frame proposed to meet the future standards as we work together to decarbonize the transportation sector today and, in the years to come. Clean Fuels looks forward to working with EPA to ensure the optimization of the immediate benefits of biodiesel and renewable diesel as you address multi-pollutant emissions from medium duty vehicles.

Sincerely,

A handwritten signature in black ink that reads "Kurt A. Kovarik". The signature is written in a cursive, slightly slanted style.

Kurt Kovarik
Vice President, Federal Affairs
Clean Fuels Alliance America