

Co-Processing Should Not Be Incentivized

Clean Fuels advocates policies to increase biodiesel, renewable diesel, and sustainable aviation fuel (SAF) production and the associated jobs, economic opportunities, agricultural markets, and environmental benefits. Co-processed fuel does not generate the same benefits and should not qualify for policy incentives.

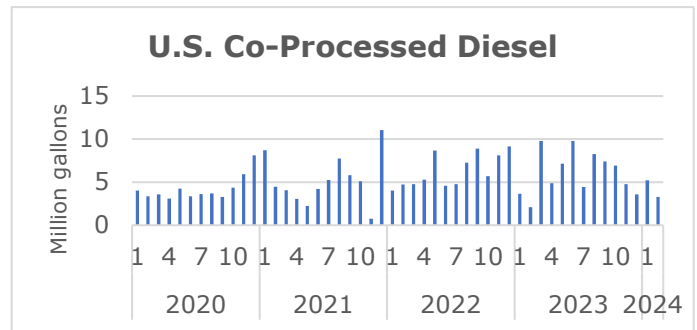
What Is Co-Processed Fuel?

Oil refineries currently may process up to 5% renewable fats, oils, and greases with petroleum. They do not need to hire new personnel, change refining processes, or invest in infrastructure to co-process.

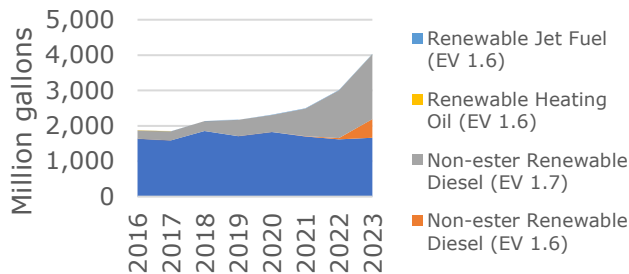
Congress therefore explicitly excluded co-processed fuels from qualifying for the biodiesel tax credit and the clean fuel production incentives in the Inflation Reduction Act.

Refiners Do Not Consistently Co-Process Renewable Content

Unlike dedicated biofuel facilities that use renewable fats and oils on a 24/7 basis, co-processing refineries go back and forth. Refineries are not reliable customers for farmers, oilseed processors, and renderers who provide renewable fats and oils.



U.S. Biodiesel, Renewable Diesel, Jet, Heating Oil



Clean Fuel Production Is Meeting U.S. Demand

U.S. clean fuel production topped 4 billion gallons in 2023. Clean Fuels conservatively envisions production and use of 6 billion gallons of biodiesel, renewable diesel and SAF by 2030. By 2050, Clean Fuels envisions 15 billion gallons of production.

Co-processed diesel is not needed to meet the goals of national or state policies.

Missouri Headquarters
605 Clark Ave.
PO Box 104898
Jefferson City, MO 65110

800.841.5849

Washington, D.C. Office
1331 Pennsylvania Ave., NW
Suite 505
Washington, D.C. 20004

888.246.3437

Environmental Benefits of Co-Processing Are Not Proven

Refiners assume that finished co-processed fuel contains the same amount of renewable content added at the start. Carbon-14 dating (ASTM D6866 method B) is the only way to determine the renewable content. Refiners are not required to use it.

The emission reductions and health benefits associated with biodiesel and renewable diesel are well-documented. They significantly reduce criteria pollutants from diesel transportation and heating oil, according to EPA and the California Air Resources Board.

There is no equivalent documented benefit for co-processed fuel.

Emission Reductions	Biodiesel	Renewable Diesel
Particulate Matter (Black Carbon)	-79-80%	-5-28%
Carbon Monoxide	-42.6%	-18.8%
Aromatic compounds	-75%	-30%
Total Hydrocarbons	-45%	-20%
Nitrous Oxides	NEUTRAL	-5-18%
Carbon/GHG	-52-79%	-52-79%

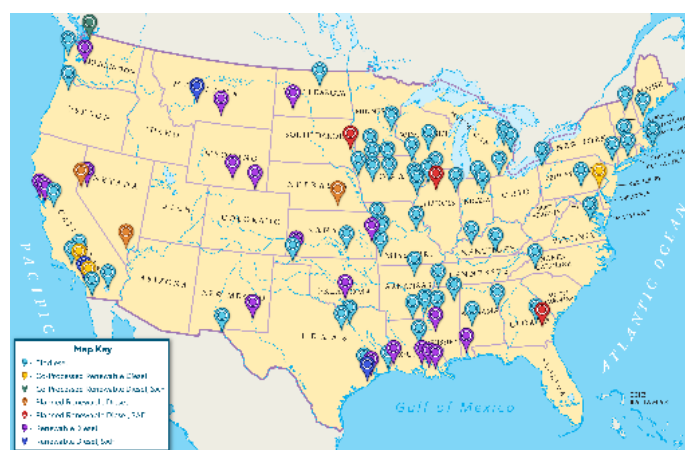
Every 100 million gallons of U.S. biodiesel will reduce:

- PM by approximately 252 tons
- Hydrocarbons by over 282 tons.

Co-Processing Puts Clean Fuel Investments at Risk

Clean fuel production utilizes 100% renewable content. The industry is investing billions of dollars in new production, oilseed processing and infrastructure. Clean fuel production supports \$23.2 billion in economic activity and 75,200 jobs across the United States.

Every 100-million-gallon increase in production adds \$1.09 billion in economic opportunity and 3,200 new jobs.



Stand-alone SAF producers will not invest in plants and infrastructure or create jobs if co-processed SAF qualifies for taxpayer-funded incentives.