

Testimony of Chris Bliley

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Thank you for the opportunity to appear today to discuss the proposed Renewable Volume Obligations for 2018 under the Renewable Fuel Standard. My name is Chris Bliley, and I am the Vice President of Regulatory Affairs for Growth Energy, which is the leading association of the ethanol industry. We are proud to represent 87 producers, 83 companies involved in the supply chain or associated with the production of ethanol, and tens of thousands of ethanol supporters.

The Renewable Fuel Standard has and continues to be one of the most successful energy policies that we have on the books today. The RFS is lowering our dependence on foreign oil, keeping our air clean, and providing consumers with more affordable fuel options that are also good for engine performance. The RFS is a critical component to the success of our nation's rural economy and supports nearly 340,000 American jobs. With the stability provided by the RFS, our industry is now successfully producing more than 15 billion gallons of ethanol. Today, ethanol is blended into nearly every gallon of gas in the U.S., meeting more than 10 percent of our nation's motor fuel needs, and we're poised to do much, much more.

First, we very much appreciate EPA fulfilling the President's commitment to ethanol and to the RFS in this proposal by committing to 15 billion gallons of conventional biofuels. As you know, Growth Energy, its members, farmers, and numerous others in the industry provided significant comments on EPA's proposal for 2017, which resulted in a final volume that finally achieved the 15 billion gallons of conventional biofuels, as Congress originally intended.

As an industry, we've clearly demonstrated an ability to meet that commitment, and with higher ethanol blends such as E15 available now at more than 900 locations in 30 states, we've pierced through any notion of a "blendwall."

However, we are concerned about the agency's backpedaling on advanced biofuels and cellulosic biofuel in particular – with this proposal calling for less than was finalized in 2017. As with any new production process, it requires certainty, investment and a path toward growth. By significantly reducing the cellulosic volumes for 2018, the agency is sending the wrong signal regarding further advancement toward meaningful cellulosic production. Our members are the world's leading innovators in the production of cellulosic ethanol, developing technology that can be replicated at other existing plants throughout the industry, but they need policy certainty to continue to make those investments.

If we want energy dominance and innovation, we need to continue to build upon the success of the RFS by maintaining the commitment to 15 billion gallons of conventional biofuel and moving forward – not backward – on cellulosic. Doing so will promote certainty and further investment. Thank you again for the opportunity to appear today, and we will be filing more detailed comments later this month.