



March 31, 2014

The Honorable Gina McCarthy
Administrator, Environmental Protection Agency
1200 Pennsylvania Avenue NW
Washington, DC 20460
support@epamts-support.com

Subject: "Petition Process Input"

Dear Administrator McCarthy:

The Biotechnology Industry Organization ("BIO") has significant concerns with the U.S. Environmental Protection Agency's ("EPA") decision to halt its petition process for new renewable fuel pathways ("the petition process") for approximately six months while making improvements to the overall system¹. While EPA's efforts to improve the petition process for new renewable fuel pathways under the Renewable Fuel Standard (RFS) is welcomed, the Agency should aim to complete this review process in a timelier and less disruptive manner.

BIO is the world's largest trade association representing biotechnology companies, academic institutions, state biotechnology centers and related organizations across the United States and in more than 30 other nations. BIO members are involved in the research and development of innovative healthcare, agricultural, industrial and environmental biotechnology products.

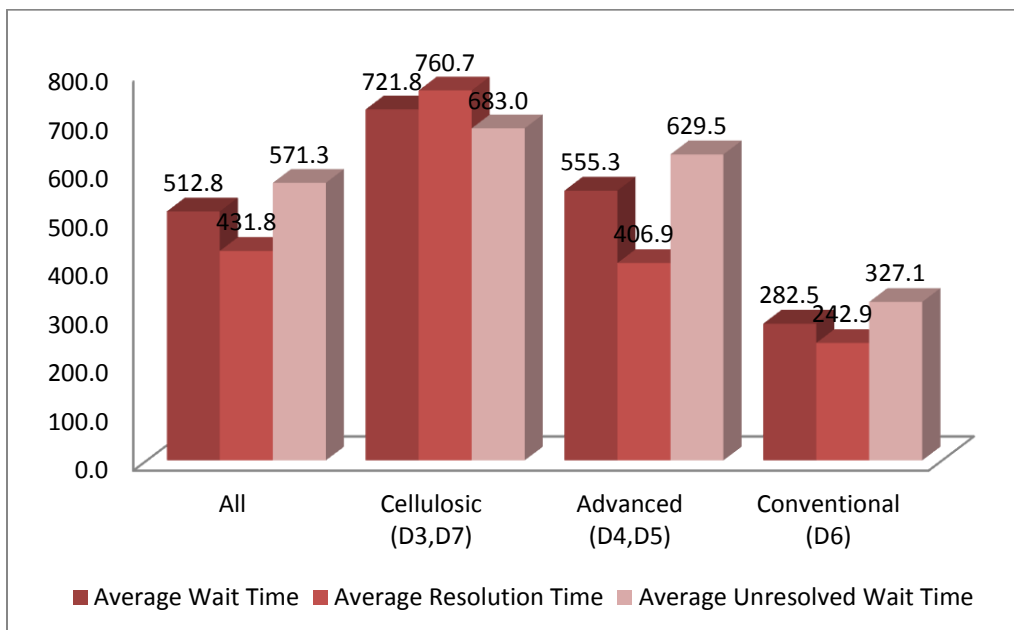
Representing nearly 90 companies leading the development of new technologies for producing conventional and advanced biofuels through the application of industrial biotechnology, BIO is concerned its members will be adversely affected by EPA's delay in evaluating new renewable fuel pathways under the RFS. This delay will add to the uncertainty for the advanced biofuels industry created by EPA's Proposed Rule on the 2014 Standards for the Renewable Fuel Standard (RFS) Program² ("the proposed rule") and the renewable volume obligations (RVO) for biofuels in 2014. Combined with the proposed rule the proposed delay of the petition process may further undermine the development of advanced and cellulosic biofuels just as they are set to produce millions of commercial gallons and launch a rapid scale up. Even more damaging, this delay may create more confusion and uncertainty for biofuel producers and their investors as to whether their processes will be approved and whether there will be a market for advanced and cellulosic biofuels in the near future.

¹ *Improving the Petition Process for New renewable Fuel Pathways*, EPA-420-F-14-011 (March 2014) (at §80.1416) (available at: <http://www.epa.gov/otaq/fuels/renewablefuels/rfs2-lca-pathways.htm>) [hereinafter *The Petition Process*].

² *2014 Standards for the Renewable Fuel Standard Program*, 78 Fed. Reg. 230, 71732 (proposed Nov. 29, 2013) (to be codified at 40 C.F.R. pt. 80) (available at: <http://www.gpo.gov/fdsys/pkg/FR-2013-11-29/pdf/2013-28155.pdf>) [hereinafter *The Proposed Rule*].



In the past four years, EPA has completed only 42 percent of the petitions it has received for new renewable fuel pathways under the RFS. On average, all biofuel companies have had to wait an average of 17 months for approval of new pathways under the RFS; while companies filing cellulosic biofuel pathway petitions have faced the longest wait times – on average 24 months. Currently, more than 36 petitions are still awaiting action – either approval or denial – and the average time that all pending petitioning companies have waited currently exceeds 19 months. These delays have slowed deployment of new advanced biofuel technologies.



An added six-month delay to the petition process – even if it results in a speedier process for the future – risks jeopardizing the availability of cellulosic and advanced biofuels to meet future year RFS obligations. EPA runs the risk of creating a self-fulfilling prophecy in setting the annual obligations below achievable volumes, while continuing to keep some volumes from reaching the market.

BIO members are improving conventional biofuel processes, enabling advanced and cellulosic biofuel production technologies and speeding development of new purpose grown energy crops. Our membership includes four companies EPA cites in its proposed rule for the 2014 RFS as producing commercial gallons of cellulosic biofuels in 2014³. We are confident the biofuels industry can meet the RFS obligations for 2014 and beyond, but only if the RFS is allowed to function in a manner that provides certainty to biofuel producers and their investors. BIO encourages EPA to improve its petition process for

³ *Visible Progress in Biorefinery Commercialization, Industrial Biotech Companies Show Progress in Commercialization*, Biotechnology Industry Organization, Jun. 15, 2012, available at: <http://www.bio.org/articles/visible-progress-biorefinery-commercialization> (Appendix I)



new renewable fuel pathways under the RFS, but in a manner that does not disrupt new and pending petitions.

Sincerely,

A handwritten signature in black ink that reads "Brent Erickson". The signature is fluid and cursive, with a prominent flourish at the end.

Brent Erickson
Executive Vice President
Biotechnology Industry Organization (BIO)