Testimony of Tim Hogan American Fuel & Petrochemical Manufacturers EPA Public Hearing for the Proposed Renewable Fuel Standards for 2019 Ypsilanti, MI July 18, 2018

Good morning. I am Tim Hogan, Director, Motor Fuels at the American Fuel & Petrochemical Manufacturers.

AFPM is a trade association representing high-tech American manufacturers of virtually the entire U.S. supply of gasoline, diesel, jet fuel, other fuels and home heating oil, as well as the petrochemicals used as building blocks for thousands of products vital to everyday life.

The statutory levels of renewable fuels are unachievable for 2019 and EPA must preserve a broad interpretation of its waiver authorities. EPA has the authority and the responsibility to waive the RFS mandates to reflect market realities such as declining gasoline consumption, the lack of drop-in biofuels and the failure of E15 and E85 to meaningfully increase the amount of ethanol that consumers are able to use.

Mandating imported ethanol and biodiesel is not what Congress intended – EPA should consider only domestic production when setting the advanced biofuel and total renewable fuel volumes.

AFPM supports EPA's recognition of the need to preserve carryover RINs, a crucial tool for industry and individual companies to deal with uncertainties and challenges, and to provide compliance flexibility.

EPA recognized that significant commercially-available quantities of cellulosic biofuel simply do not exist. The Agency has downwardly adjusted the cellulosic biofuel volumes each year, and has proposed to continue this waiver for 2019. However, the Agency still proposed a cellulosic biofuel requirement for 2019 that exceeds a reasonable projection of what can actually

be produced. The Agency overestimated cellulosic biofuel supplies for 2016 and 2017. In January 2013, the court told EPA to be reasonable, not aspirational. EPA must implement this decision and focus on the realistic implementation of the RFS.

Thank you for this opportunity.