RENEWABLE FUELS ASSOCIATION

RFA Comments to the External Peer Review Meeting for
Biofuels and the Environment: Third Triennial Report to Congress

February 24, 2023

Good afternoon. My name is Scott Richman, and I am the chief economist for the Renewable Fuels Association, the leading trade association for U.S. ethanol producers. We appreciate the opportunity to comment on the external review draft of *Biofuels and the Environment: Third Triennial Report to Congress*. We also appreciate the public nature of this multiday meeting.

Overall, a considerable amount of research is reflected in the draft report, and clearly a substantial amount of work by EPA staff and others went into writing it. However, there are several issues with the content that we hope will be addressed in the final report.

The RFA commends EPA for its efforts to separate the effects of the RFS on environmental outcomes from the effects of the overall production and use of biofuels, which have been influenced by market factors and other federal and state policies. However, it is unfortunate that a quantitative attribution analysis was conducted only for corn ethanol, resulting in uneven treatment of different biofuels.

The Agency also conducted an analysis of land cover and land management, for which data for the total cropland category in USDA's National Resources Inventory were separated into four subcategories. However, EPA then combined corn and soybeans into a single category, masking the divergent trajectories of the two crops over the last decade.

Corn acreage reached a recent peak in 2012, and on average over the last five years the area planted to corn has been 7.1 million acres below that level, while soybean area has been 7.5 million acres higher. Since quantitative attribution analysis was done only for corn ethanol, and the EPA concluded that the RFS "likely played a relatively minor role … in the growth of corn ethanol in the U.S. from 2002-2012," analyzing corn separately would be more appropriate. EPA also gave insufficient consideration to the role of urbanization in causing conversion of other land to cropland.

Additionally, the draft report is exceedingly over-reliant on work by Tyler Lark and associated researchers. The term "Lark *et al.*" appears at least 65 times in the report, not including footnotes. However, the methods used in the 2022 study by Lark *et al.* have been critiqued or refuted by the USDA; researchers from Argonne, Purdue and the University of Illinois system; and even the EPA itself.

EPA noted shortcomings in the study's attribution of increases in corn ethanol production to the RFS, stating that they are "higher than other studies that include other relevant factors because of several assumptions in the underlying economic model … that increase the estimated effect of the RFS Program."

In a memorandum submitted to the docket for EPA's proposed Set rule, the USDA identified "major methodological flaws" with the paper, including "[f]ailure to account for cropland-to-cropland conversions" and "(mis)classification of CRP land as native or longer-term grasslands."

The experts from Argonne, Purdue and the University of Illinois system cited numerous problems, stating, "In conclusion, Lark *et al.* significantly overestimated the land use implications of ethanol production."

One of the authors of the 2019 and 2022 papers by Lark *et al.* is a peer reviewer for the triennial report. Accordingly, there should be heightened diligence to ensure that the review of how Lark's work is used in the report is thorough and objective.

We intend to elaborate on these issues and others in our written comments. Thank you again, and I look forward to any questions.