

EPA Hearing on 2014–2016 RFS Proposal  
Environmental Protection Agency  
Testimony of Randy Doyal, CEO of Al-Corn Clean Fuel  
June 25, 2015

Good morning,

My name is Randy Doyal and I am the CEO of Al-Corn Clean Fuel, a farmer-owned corn ethanol facility in Claremont, Minnesota, that produces 50 million gallons of fuel ethanol per year. I also currently serve as the Chairman of the Renewable Fuels Association.

Al-Corn Clean Fuel was founded as a cooperative in 1994 by local farmers who endeavored to add value to their corn crop, stimulate the local economy, and contribute to enhanced energy security and a cleaner environment.

We are adamantly opposed to EPA's proposed rule reducing the 2014–2016 renewable volume obligations from the levels envisioned by Congress. The Renewable Fuel Standard has been a tremendous success and has worked exactly as intended to drive growth in biofuel production and consumption. The program has played a pivotal role in reducing petroleum imports, lowering gas prices, improving air quality, and strengthening the economic health of rural America. We simply do not understand why EPA is proposing to move backward on a program that has undoubtedly delivered on its promise.

Moreover, the Clean Air Act statute does not permit EPA to take into account “factors that affect consumption,” such as purported infrastructure constraints or the so-called “blend wall,” in determining whether to grant a general waiver of the RFS. By embracing the “blend wall” concept, the EPA proposal not only violates the law, but also undermines the incentive to expand biofuel production and distribution capacity, and allows oil companies to blend only as much renewable fuel as they are comfortable using. Even though gasoline consumption may be slightly lower today than Congress anticipated in 2007 when the RFS2 was adopted, it was always the intent of the program to push well beyond the so-called “blend wall” and increase the share of renewable fuels in our nation's fuel supply.

EPA may grant a waiver based on an “inadequate domestic supply” of “renewable fuel” only if the biofuels industry lacks the capability to produce the required volumes of renewable fuel needed to meet the statutory requirements. But that is clearly not the situation today, given record production in 2014 and the forecasted supply of ethanol and carryover RIN credits in 2015 and 2016.

It also strikes us as illogical that EPA would ignore RIN stocks in determining whether supply is “adequate” to meet statutory volumes. Because carryover RINs represent physical gallons that are—or were—in the fuel supply, they must be included in calculating the proper RVOs.

Over the past 10 years, the RFS has provided the stability and certainty needed for our business to invest in multiple expansion projects, as well as new technologies to increase production efficiencies, decrease environmental impacts, and diversify product streams. We are greatly concerned that backtracking on the RFS, as EPA is proposing to do, will cause RIN stocks to swell to burdensome levels, undermining further innovations and investments in ethanol production and distribution.

On behalf of both Al-Corn Clean Fuel and the RFA, I urge you to get the RFS back on track. We encourage you to abandon the illegal “blend wall” methodology and let farmers and ethanol producers respond to the challenge set forth by Congress in 2007.

Thank you.

Randy Doyal  
CEO at Al-Corn Clean Fuel; Claremont Renewable Energy, Chairman Renewable Fuels Association