The Law that Keeps on Giving

It has been 15 years since President George W. Bush signed the Energy Policy Act of 2005 that established a 7.5 billion-gallon Renewable Fuel Standard (RFS), creating a value-added market for farmers; assuring growth for biofuels like ethanol, biodiesel, and other advanced fuels; and addressing critical environmental and energy security priorities. The historic legislation was the first time low carbon fuels were required anywhere in the world. It sent a powerful signal to the market that motivated investors and technology developers alike, and created today’s dynamic and growing biofuels industry.

The immediate success of the RFS led to the expansion of the RFS in 2007, expanding the requirement to 36 billion gallons by 2022 and adding a certain carbon metric to measure future fuels. While the volumes envisioned by the 2007 bill will not be met, by every other measure the policy remains an unmitigated success. It has lowered carbon emissions from motor fuels far greater than anticipated. It has lowered consumer gasoline costs by infusing competition into an otherwise stagnant market. And it helped to dramatically reduce U.S. dependence on imported petroleum.

As we Focus Forward, however, the RFS is likely to evolve. Legislation may be contemplated that would strengthen the carbon reducing function of the RFS, building on the success of this ground-breaking program to more closely reflect a low carbon fuel standard. Regulatory changes may also be afoot as the U.S. Environmental Protection Agency will set the volume requirements beginning in 2023. In either case, the RFA will continue to lead, protecting the RFS, and assuring that the environmental, energy, and consumer benefits of the expanded use of biofuels continues for decades to come.
“Today we make a major step toward reducing our dependence on oil, confronting global climate change, expanding the production of renewable fuels and giving future generations of our country a nation that is stronger, cleaner and more secure.”

—President George W. Bush, 2007