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American Biogas Council Decries EPA's Indiscriminate Granting of Small Refinery Exemptions

May 22, 2019 - Washington, DC - The American Biogas Council (ABC) released the following statement in response to the Administration's continued attempts to erode the Renewable Fuel Standard by indiscriminately granting of small refinery exemptions.

"The continued issuance of small refinery exemptions undermines the integrity of the Renewable Fuel Standard and imperils the ability of biogas and other renewable fuel producers to create new investments and jobs, especially in rural communities," said Patrick Serfass, the Executive Director of the American Biogas Council.

"As a program, the Renewable Fuel Standard (RFS) works for the biogas industry. It has boosted American production of renewable fuels, brought new revenue streams to farmers and catalysed investment in biogas systems. In fact, the number of biogas systems that have been built or upgraded to participate in the RFS has grown at a rate of 30% annually supplying valuable renewable fuel that can replace conventional natural gas. In the RFS, biogas and renewable natural gas (RNG) related projects represent the fastest growing sector of the RFS and are therefore critical to addressing the gap between the congressionally mandated fuel volumes and the EPA-lowered fuel volumes.

"But the recent management of the RFS program, in particular, the Administration's frequent issuance of small refinery exemptions has killed demand in this market based program and is now impeding growth, development, infrastructure investments and the creation of quality American jobs. The prevalent issuance of exemptions has created the impression that any refinery can get one. As a result, small refineries and some larger ones, both in growing numbers, have stopped purchasing biogas hoping that each one might also be granted an exemption by the Administration to not comply with this congressionally mandated program. Due to the volume of fuel that most biogas systems produce, a large proportion of biogas systems sell to small refineries.

"The Administration must dramatically slow the issuance of small refinery exemptions (SREs) to small refineries and stop granting SREs to large or unqualified refineries. Indiscriminate and frequent issuance of SREs undermine the integrity of the RFS and imperil economic prosperity and energy security. The Administration needs to follow the law that Congress passed."

About the American Biogas Council

The American Biogas Council is the only national trade association representing the entire biogas industry in the U.S. We represent over 200 companies in all parts of the biogas supply chain who are dedicated to maximizing the production and use of biogas from organic waste. Biogas systems protect our air, water and soil by recycling organic material, like food waste and manure, into renewable energy and soil products. Learn more online at <u>www.AmericanBiogasCouncil.org</u>, Twitter <u>@ambiogascouncil, LinkedIn</u> and on <u>YouTube</u>.