

## ***Advocacy Comment Describes Small Business Concerns about EPA's Renewable Fuels Rule***

On September 25, 2009, the Office of Advocacy (Advocacy) submitted a comment letter to the U.S. Environmental Protection Agency (EPA), discussing Advocacy's concerns with EPA's proposed rule, "Regulation of Fuels and Fuel Additives: Changes to Renewable Fuel Standard Program" (RFS2), 74 Fed. Reg. 24,903 (May 26, 2009). The proposed rule requires renewable fuels to be blended into U.S. petroleum fuel stocks; the amounts of renewable fuels required increases every year. In 2008, a Small Business Advocacy Review Panel (Panel) was convened on the RFS2 rule. Advocacy's comment letter reflects the concerns of small business representatives that participated in the Panel.

- Small petroleum refiners are concerned about their ability to meet the blending requirements each year, either by buying and blending fuels themselves or by buying "credits" in a trading market.
- Small refiners believe the RFS2 standard is not technically feasible because many of the renewable fuels required to be added (e.g., fuel made from cellulosic materials) are not commercially available in sufficient quantities to allow these refiners to meet the standard.
- Small refiners are also concerned that renewable fuel credits will either not be available in sufficient quantities to allow them to meet the standard, or the price of these credits will be prohibitively high.
- Advocacy recommends that EPA consider delaying the standard for small refiners or phase-in the implementation schedule until the technical and cost feasibility issues can be resolved.

For further information regarding this issue, visit Advocacy's web site at: [www.sba.gov/advo](http://www.sba.gov/advo) or contact Keith Holman at [keith.holman@sba.gov](mailto:keith.holman@sba.gov) or (202) 205-6533.