VIA ELECTRONIC FILING
October 30, 2025

U.S. Environmental Protection Agency
1200 Pennsylvania Avenue NW
Washington, DC 20460

Docket ID No: EPA–HQ–OAR–2024–0505

Re: Renewable Fuel Standard (RFS) Program: Standards for 2026 and 2027, Partial Waiver of 2025 Cellulosic Biofuel Volume Requirement, and Other Changes; Supplemental Notice of Proposed Rulemaking

Dear EPA Administrator Zeldin,

We appreciate and thank EPA for its recognition of the expanded capacity and feedstock investments fueling the growth of U.S.-made biodiesel, renewable diesel and sustainable aviation fuel. We're eager to continue collaborating on meeting strong volume targets and ensuring the long-term success of the Renewable Fuel Standard. Issuing timely rules is essential for the industry to carry out planned investments and deliver value to farmers and rural communities, like those in Iowa.

EPA's move to grant or partially grant almost 200 small refinery exemptions raises serious concern. The agency should reallocate the full volume of these exemptions—including updated projections for 2025, 2026 and 2027—to maintain the integrity of the program.

U.S. production of biomass-based diesel doubled in the last few years and it's still growing. A national study funded by Clean Fuels Alliance America shows that Iowa's industry alone supports 12,000 jobs and generates approximately $3.5 billion in economic opportunity. We support economic opportunities for farmers and rural communities by building vital markets for agriculture, and adding value to every bushel of soybeans grown in the state. Biodiesel, renewable diesel and SAF production is essential to our farmers, and it provides consumers an affordable option.

In 2024, Iowa's 10 operating biodiesel plants produced an estimated 350 million gallons, making it the top biodiesel-producing state. All of Iowa's plants today face market hardships. They include several independent biodiesel producers who have been instrumental in building what was recently a thriving biodiesel industry in our state. Together these independent plants have the capacity to produce more than 100 million gallons of biodiesel per year. These small businesses have provided critical market opportunities for Iowa farmers while advancing the nation's domestic energy goals.

However, while times are tough for all of our state's biodiesel producers, it is no exaggeration to say that today these independent producers find themselves in great peril

due to persistent federal policy uncertainty. Unlike their larger, more diversified competitors, independent producers lack the financial reserves and operational flexibility to weather extended periods of regulatory ambiguity and market instability. Without shoring up meaningful policy changes in the near term, these plants are in grave danger of having to cease operations entirely.

The loss of Iowa's independent biodiesel producers would represent a significant setback for the renewable fuels industry, eliminating production capacity that took years to develop and depriving Iowa farmers of vital local markets for their crops at a time when they can least afford it. Moreover, the main investors in each of these plants are local farmers, compounding the challenges Iowa's farmers face.

U.S. soybean farmers and processors could lose between $3.2 billion and $7.5 billion in crop value over the next two years if EPA does not completely reallocate recently exempted RFS volumes, according to data from the World Agricultural and Economic Environmental Services (WAEES) model and Clean Fuels[i]. U.S. soybean growers are right now harvesting a projected 4.3 billion bushels of soybeans for the season, worth $43 billion. Using soy oil to produce biodiesel and renewable diesel represents 10% of the value of all U.S. grown soybeans. America's farmers cannot afford to lose the value that U.S. biomass-based diesel brings.

U.S. biomass-based diesel adds value to every acre of soybeans grown, accounting for roughly ten percent of each bushel's worth — a contribution that is especially vital this year as America's soybean farmers face record yields amid unpredictable global markets. The RFS, along with the strong volume targets EPA has proposed, remains one of the few positive drivers in today's agricultural economy, helping ensure farmers receive fair value for the crops they produce.

The RFS also strengthens Iowa's rural economy by creating consistent, diversified markets for renewable fuel feedstocks. This stability supports both agricultural and economic resilience across the state. Preserving the proposed volumes in full — and reallocating 100% of the small refinery exemptions for 2023, 2024 and projected 2025 — is essential. Without replacement of these exemptions, the Renewable Volume Obligations are undermined, making them unreliable and jeopardizing the market certainty that farmers and the biomass-based diesel industry depend on.

Additionally, EPA must finalize the RVOs before the new compliance year begins. Until that happens, the biomass-based diesel industry is left uncertain and unable to fully plan or adapt to the proposed rule changes. Meanwhile, Iowa farmers are already making planting decisions for the next growing season, making timely action all the more urgent.

Please work to finalize a timely rule for the 2026-2027 Renewable Fuel Standard volumes and for the Supplemental Proposal to account for small refinery exemptions and we look forward to working with you to getting the RFS program back on course.

Sincerely,
Grant Kimberley
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[i] Kruse, John. *Implications of shifting to the 2025 AEO using EPA's adjustment methodology and the SREs in EPA's Supplemental Proposed Rule under Alternative Reallocation Scenarios*. World Agricultural and Economic Environmental Services (WAEES), October 2025.