

April 16, 2025

Via Electronic Mail

Aaron Szabo, Acting Assistant Administrator, Office of Air and Radiation
U.S. Environmental Protection Agency
Office of the Administrator; Mail Code: 1101A
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Washington, DC 20460
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Dear Acting Assistant Administrator Szabo,

The American Biogas Council and the undersigned member organizations, industry leaders across the biogas value chain, jointly submit this letter regarding implementation of the Renewable Fuel Standard. We greatly appreciate the work the Environmental Protection Agency (EPA) team has done to implement this complex program and incorporate stakeholder feedback into the regulatory processes. We are writing to urge EPA to set a Renewable Volume Obligation for the cellulosic biofuel (D3) category that reflects the industry's strong historical growth. Additionally, we strongly encourage EPA to approve pending new pathways for renewable natural gas RIN generation, thereby unlocking new opportunities for the RNG industry to fuel U.S. transportation.

Biomethane or Renewable Natural Gas (RNG), which is derived from farm waste, landfill gas, wastewater treatment gas, food waste, crop residues, and other organic waste streams, supports American agriculture and rural America. As highlighted in President Trump's January 20th Executive Order (EO), "Declaring a National Energy Emergency", the U.S. is insufficiently investing in the development of domestic energy resources, which the EO defines to include biofuels.¹ The biogas industry is pleased to see representation in the new Administration's energy considerations as biomethane derived from cellulosic feedstocks can add to the American energy supply while creating economic opportunities for farmers and rural America.

Generated from the biological decomposition of organic materials, biogas systems transform waste into new revenue streams for farmers and provide workforce development, infrastructure investment, and high-paying jobs for rural communities. With further conditioning and removal of contaminants, biogas is upgraded to RNG and other advanced fuels to be used in America's vast existing energy infrastructure and fueling network.

Currently, the U.S. has almost 2,500 biogas facilities, many of which create RNG that is used to power trucks, buses, and other vehicles as part of the RFS program. However, nationally, the U.S. is falling behind on bioeconomy competitiveness compared to global peers. The U.S. biogas industry lacks clear policy and market signals to deliver effective and versatile energy solutions. Going forward, with the right demand signals in place, the U.S. has feedstock available to increase the number of biogas systems tenfold to 24,000, which would transform the U.S. into the global biomethane leader.

Almost all RNG meets the RFS program criteria to be classified as cellulosic biofuel, including RNG made from dairy, swine, and beef manure, landfill gas, and wastewater treatment plants. In addition to the opportunity for rural economic growth, RNG provides additional economic benefits including increased flexibility for RFS compliance and expanded U.S. production of a waste-derived transportation fuel for trucks and other on-road and off-road vehicles.

¹ January 20, 2025, [Declaring a National Energy Emergency – The White House](#)

The undersigned organizations urge EPA to ensure that the RVO rulemaking, along with other EPA actions, support President Trump's goals for increasing and diversifying U.S. energy supplies and supporting farmers and rural America by:

1. Setting the RVOs at an appropriate level to encourage continued investment in fuel production from cellulosic feedstocks. For the D3 category, **we recommend EPA set the RVOs using a RNG production growth rate of at least 25% per year plus additional RINs for cellulosic ethanol** (i.e., 1.67 billion D3 RINs for 2026, representing 1.52 billion from RNG and 150 million from cellulosic ethanol).
2. **Supporting the expanded use of CNG vehicles, including heavy-duty fleet vehicles, through EPA's Phase III rule revisions.** Many CNG vehicles are manufactured domestically and are a key demand center for D3 fuels.
3. **Approving pending pathways for RNG to support RIN generation**, including:
 - a. Using RNG-derived hydrogen in the production of conventional liquid fuels and recognizing the portion of the resultant fuel created from the hydrogen as a D3 fuel (assuming the RNG qualified as a D3 fuel);
 - b. Using RNG-derived hydrogen for the production renewable diesel and recognizing the portion of the resultant fuel created from the hydrogen as a D3 fuel;
 - c. Supporting farmers by approving pending cellulosic biofuel pathways for crop residues such as using prairie grass and winter cover crops to create RNG; and
 - d. Recognizing RNG/LNG in non-ocean-going maritime applications for RIN generation, such as coastal shipping.

These recommendations will accelerate increased production of a homegrown, waste-derived U.S. transportation fuel that is commercially viable now. To maintain national competitiveness, put these fuels to use domestically, and to advance economic growth, investors and producers need steady policy signals, which can be achieved via robust RVOs and modernization of the RFS program to include new pathways for RNG. We are confident that the biogas industry can respond to these changes with increased production.

In comparison, setting a cellulosic biofuel RVO that significantly underestimates the historical growth rate of this category (or worse, freezes it at current levels) would lead to an oversupply of D3 RINs, such as we have seen with the D4/D5 category. The significant D3 RIN price decline that would result from such an underestimation would be difficult for all cellulosic biofuel producers to absorb, with agriculture digesters and cellulosic ethanol facilities especially hard hit due to their higher production costs. Given the challenges that the agriculture sector is already facing, it seems an inopportune time for EPA to set RVO's that could materially reduce the income of the many agriculture entities that are involved in this innovative energy program.

Thank you for your attention on this matter and we look forward to working with the Agency to continue to strengthen the role of the RFS program. We also welcome the opportunity to serve as a resource for EPA to provide further information and answer any questions that may arise.

Sincerely,

American Biogas Council

2G Energy

Ag Methane Advisors

Ag-Grid Energy

Anew Climate
Arco Murray
Bauer Compressors, Inc.
Berq RNG
Bolinger Biogas
Calgren
DMT
DVO
Ecological Labs
Econward
Ecostrat Inc.
EDL
Gevo
GreeneTec
Guild Associates
HoSt and Bright Renewables
Iogen
J-W Power
Kanadevia Inova U.S.A. LLC
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Monarch Bio
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