



May 13, 2022

Via Electronic Filing (www.regulations.gov)

The Honorable Michael Regan
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460
ATTN: Docket EPA-HQ-OAR-2021-0845

Re: Renewable Fuel Standard Program: Canola Oil Pathways to Renewable Diesel, Jet Fuel, Naphtha, Liquified Petroleum Gas and Heating Oil, 87 Fed. Reg. 22,823 (Apr. 18, 2022)

Dear Administrator Regan:

On behalf of North Dakota Farmers Union (NDFU), thank you for the opportunity to comment in support of EPA's proposal to create a pathway for use of canola oil as a feedstock in renewable diesel, jet fuel and other liquid fuels. NDFU is the largest general farm organization in North Dakota, representing more than 50,000 farm, ranch and member families. NDFU strongly supports increased production and use of biofuels, including by expanding the list of crops eligible for use as biofuel feedstocks.

Diversification of Feedstocks Under the RFS Promotes Energy Security, Provides Environmental Benefits, and Supports Rural Economies.

NDFU supports the inclusion of additional feedstocks, such as canola oil, to be eligible for production of advanced biofuels. Expanding the list of eligible feedstocks will create new marketing opportunities for farmers and expand their options for sustainable farming practices and climate change mitigation measures. Diversification of feedstocks eligible under the RFS program also protects against market volatility and allows the market to determine the most efficient ways to provide products to consumers.

Farmers are the backbone of the growing biofuels industry in the United States. They contribute to advanced biofuel volumes, helping the biofuels industry diversify their feedstocks. The expansion of the RFS has supported these efforts, allowing farmers to continue to innovate and find new ways to add value to their operations.

A strong biofuels policy is an important component of improving climate resilience. The RFS program has provided significant environmental benefits, particularly regarding GHG emissions reductions. An analysis of the program through 2020 showed significant GHG reductions with

cumulative carbon dioxide savings of 980 million metric tonnes.¹ The biofuels industry, including feedstock providers, continues to innovate to help move this country toward decarbonization. Allowing canola's use as a biofuel feedstock gives farmers new opportunities to adopt climate-smart land management practices, contributing further to GHG reductions.

Farmers stand ready to increase production on existing agricultural lands to further contribute to the RFS program, but they require market and regulatory certainty. North Dakota leads the nation in canola production, with roughly 85% of U.S. canola production occurring in the state over the last three years.² Canola is typically produced with climate-smart practices, including minimum tillage or no-till farming.³ Conservation tillage preserves topsoil and organic matter and stores carbon and nutrients in soil. EPA's proposal models a limited increase in lands used for canola production due to the economic opportunities approving the crop's use as a renewable diesel feedstock. However, canola production in the U.S. can be increased without converting lands into cropland. Farmers continue to improve canola yields, and new market opportunities will allow many farmers to expand their use of canola in their crop rotations. When canola is used as a rotational crop, it improves soil health, water management and pest management.

Canola Oil Reduces Lifecycle GHG Emissions in Renewable Diesel, Jet Fuel and Other Biofuels

Renewable diesel production in the United States has grown significantly in recent years with substantial planned investments. Canola oil is a commercially viable feedstock currently used for U.S. biodiesel production. Despite its lower carbon intensity score and cold weather advantages compared to other, similar feedstocks, the lack of an approved RFS pathway has prevented U.S. renewable diesel producers from using canola oil as a feedstock. We urge EPA to approve the proposed pathways to level the playing field for canola and allow this alternative market for canola oil.

We fully support EPA's use of updated data to model canola oil renewable diesel fuels. While EPA previously modeled canola oil as a feedstock for biodiesel in 2010, real world experience since then shows that the results were overly conservative. As EPA notes, there currently are no pathways for renewable diesel fuels derived from canola, and it should use more recent data when assessing these pathways. EPA's analysis using updated data estimates:

- Renewable diesel produced from canola oil using the hydrotreating process reduces lifecycle GHG emissions by 63 to 69% compared to the diesel fuel baseline;
- Co-products naphtha and liquified petroleum gas reduces lifecycle GHG emissions by 64 to 69% and 63 to 69%, respectively; and

¹ Life Cycle Associates, *GHG Emissions Reductions due to the RFS2-A 2020 update*, at iii (2021), available at https://ethanolrfa.org/file/748/LCA_-_RFS2-GHG-Update_2020.pdf.

² USDA-NASS, *Crop Production, 2021 Summary (2022)*, <https://downloads.usda.library.cornell.edu/usda-esmis/files/k3569432s/sn00c1252/g158cj98r/cropan22.pdf>.

³ See generally U.S. Canola Association, <https://www.uscanola.com/crop-production/sustainability/> (last visited May 4, 2022).



- Jet fuel produced from canola oil using the hydrotreating process reduces lifecycle GHG emissions by 59 to 67%.

These ranges are based on differences in hydrotreating configurations, taking into account data from renewable diesel facilities. EPA also considers the uncertainty inherent in lifecycle GHG modeling and utilizes conservative assumptions. There is more than ample basis for EPA to make a determination that the 50 percent threshold is met.

While EPA properly uses updated canola yields and crushing data that better reflect the real world and its methodology presents a “shock” scenario that may overestimate the impacts, there is more than ample fallow land and CRP land for the estimated increased production of canola in the United States. As discussed above, ensuring an alternative market for excess production would give farmers greater incentive to utilize canola as a rotational crop and to employ sustainable farming practices to mitigate against climate change impacts. This would further *reduce* GHG emissions associated with farm production. It also provides more certainty for oil processors to invest in additional crushing capacity. This would *increase* supply of canola oil and canola meal, while also improving yields for wheat and other crops commonly grown in rotation with canola. These factors support the food market rather than displace canola oil from non-biofuel uses. These considerations further illustrate the conservative nature of EPA’s assessment.

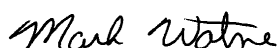
With regard to the issue of invasive species, EPA also correctly does not propose any risk management measures similar to those it has proposed for other crops it has found to raise invasive species concerns. Canola is grown throughout the United States and has not presented invasiveness concerns. Furthermore, weed management is already a component in canola production and in EPA’s lifecycle analysis. No risk management measures for invasiveness are needed as part of the pathway approvals.

EPA should continue to support increased growth of biofuel production under the RFS program, which, will create new opportunities for farmers, support increased investments in the rural economy, and help mitigate climate change impacts. Regulatory certainty is needed to expand production, remove any distortions in the market for canola oil, and make additional investments in processing. We urge EPA to take prompt action to finalize the proposed pathways.

Thank you for your consideration of these comments.

Sincerely,

NORTH DAKOTA FARMERS UNION



Mark Watne
President

