



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

APR -7 2014

OFFICE OF
AIR AND RADIATION

Mr. Darrell Smith
Permeate Refining
205 SE Locust Street
Hopkinton, Iowa 52237

Dear Mr. Smith:

Thank you for your interest in the Renewable Fuel Standard (RFS) program. We have reviewed your petition submitted pursuant to 40 CFR 80.1416 requesting evaluation of new renewable fuel pathways. In this petition, you requested EPA's assessment of the lifecycle greenhouse gas (GHG) emissions associated with Permeate Refining's proposal to produce ethanol from various factory byproduct materials including sugars, starches and syrups derived from corn, rice, wheat, and sugar beets, among other agricultural crops.

On the basis of the information supplied in your petition documentation, this fuel pathway is similar to the approved advanced biofuel pathway in row P of Table 1 to § 80.1426 for ethanol produced from the non-cellulosic portions of separated food waste. Because this pathway already appears in the RFS regulations, the EPA has determined additional lifecycle GHG assessment is unnecessary at this time. Therefore, you may proceed with the RFS registration process.¹ Please note, however, that to be eligible to generate advanced biofuel (D-code 5) RINs using the ethanol pathway provided in row P of Table 1 to § 80.1426 you will need to demonstrate that your ethanol is produced from feedstocks that meet the definition of separated food waste provided at § 80.1426(f)(5) in the RFS regulations, and complies with all other applicable regulatory conditions.

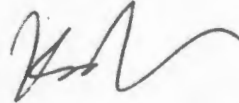
Your petition argued that EPA's regulatory definition of separated food waste should be interpreted to include separated industrial waste (for example a biogenic waste stream from a factory that uses starches to produce biodegradable plastics), such that ethanol produced from separated industrial waste would be eligible to generate advanced biofuel (D-code 5) RINs. In the March 2010 RFS final rule (75 FR 14670) EPA interpreted the definition of advanced biofuel in CAA Section 211(o) to include ethanol derived from separated food waste, which the Agency defined at § 80.1426(f)(5) to be "...a feedstock stream...which includes food and beverage production waste and post-consumer food and beverage waste..." In the March 2010 RFS final rule EPA discussed what is included in the definition of separated food waste. For example the Agency observed that "the statute itself identifies 'recycled cooking and trap grease' as one example of separated food waste" (75 FR 14704). However, after considering the statutory language, EPA did not include "separated industrial waste" nor mention feedstock streams derived from industrial processes in the definition of separated food waste. For these reasons we do not believe it would be appropriate to interpret the RFS regulatory definition of separated food waste to

¹ More information on the registration process can be found on our website at:
<http://www.epa.gov/otaq/fuels/reporting/producers.htm>

include separated industrial waste that does not otherwise align with the definition of separated food waste.

To the extent that you can demonstrate, using the RFS registration and reporting provisions provided at §§ 80.1450 and 80.1451, that your ethanol is produced from feedstocks that meet the regulatory definition of separated food waste or other qualifying pathways specified at § 80.1426, such ethanol may be eligible to generate advanced biofuel (D-code 5) RINs. If you have any additional questions on the petition or registration processes, please contact our support line by emailing support@epamts-support.com and include "Permeate Refining" as the subject line.

Sincerely,

A handwritten signature in black ink, appearing to read 'Karl Simon', with a stylized flourish at the end.

Karl Simon, Director
Transportation and Climate Division