

Opening Statement of the Honorable Ed Whitfield
Subcommittee on Energy and Power
Hearing on “Overview of the Renewable Fuel Standard: Government Perspectives”
June 26, 2013

(As Prepared for Delivery)

As many of you know, the renewable fuel standard, or RFS, was created by Congress in 2005, and was greatly expanded in 2007. The RFS is a policy that originated in this committee, which is why I believe we now have an obligation to assess how it is going. That is the reason for today’s hearing, and we are pleased to be joined by three agencies that have a hand in implementing the RFS and in studying its impacts – the Environmental Protection Agency, the Energy Information Administration, and the Department of Agriculture.

I’ve met with stakeholders on all sides of the issues, and I think it’s time to take a hard look at the RFS and compare our original expectations for the program with the actual experience. I think we’ll find that in some respects the RFS is going well, but in others there are emerging issues and room for improvement.

The landscape has changed significantly since the RFS was last revised in 2007. Indeed, there is a long list of energy policy assumptions back then that differ greatly from the realities of 2013.

Perhaps the biggest unexpected development has been the decline in gasoline usage over that past five years. As a result, we are facing the challenge of mixing the specified volumes of renewable fuels into a significantly smaller pool of gasoline. This has led to a number of issues we will address today, including the so-called blend wall and the approval of E-15.

We have also learned, first hand, how the RFS implementation would be affected by a drought that reduced corn yields, as occurred last summer.

In other words, we can now look back on several years of practical experience with the RFS, and it is time to ask what that experience has taught us. It is also time to project what the future might hold for the RFS as we continue to implement its stringent and increasing targets.

We began this process by issuing a series of bipartisan white papers on the major topics associated with the RFS – the blend wall and fuel compatibility issues, agricultural sector issues, environmental concerns, energy policy considerations, and we are set to release the final white paper that deals with implementation and enforcement issues. The wide-ranging stakeholder responses to the questions posed in these white papers attests to the fact that many people have been affected by the RFS, and that we need to be mindful of all of its direct and indirect impacts.

And today, we are initiating our first hearing on the RFS, beginning with the agencies most knowledgeable about the program’s implementation.

The end result that we want is an RFS that can work for everyone involved, be it farmers, renewable fuel producers, refiners, and automakers. And most importantly, we want a policy that benefits the American driving public. The first step is to assess where we are with the program, and I look forward to learning more from our witnesses.

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