



Growth Energy™  
Expanding America's Bioeconomy

February 29, 2024

Doreen Harris, Basil Seggos  
Co-Chairs  
Climate Action Council  
625 Broadway  
Albany, NY 12233

Co-Chairs Harris and Seggos:

Thank you for the opportunity to comment on New York state's proposal to establish a cap on greenhouse gas (GHG) emissions via the Cap-and-Invest Program. Growth Energy is the world's largest association of biofuel producers, representing 97 U.S. plants, including Western New York Energy in Medina, New York, that produce 9.5 billion gallons of renewable fuel annually; 115 businesses associated with the production process; and tens of thousands of biofuel supporters around the country. Together, we are working to bring better and more affordable choices at the fuel pump to consumers, improve air quality, and protect the environment for future generations. We remain committed to helping our country diversify its energy portfolio to grow more green energy jobs, decarbonize the nation's energy mix, sustain family farms, and drive down the costs of transportation fuels for consumers.

We appreciate the Department of Environmental Conservation's (DEC) and the New York State Energy Research and Development Authority's (NYSERDA) efforts to reduce GHG emissions in the state. Our industry represents the largest volume of accessible, low-carbon biofuels meant to achieve the emissions reduction objectives of DEC and NYSERDA.

As you continue the process of engaging stakeholders and assessing input before developing a proposal, we encourage DEC and NYSERDA to consider the appropriate role biofuels plays in other jurisdictions' cap-and-invest programs. Specifically, in California, biofuels are exempt from obligation. Similarly, in Washington, "fuels derived from biomass that have at least 40 percent lower GHG emissions based on a full life-cycle analysis when compared to petroleum fuels for which biofuels are capable as serving as a substitute." There is an ongoing debate in the Washington legislature on reducing that threshold.

These exemptions were enacted to maximize the benefits of low-carbon biofuels like bioethanol, which has been shown to reduce GHG emissions by 46% compared to gasoline.<sup>1</sup> And as readily available technologies such as carbon sequestration and climate-smart agriculture practices are adopted, bioethanol can continue to improve toward net zero.

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<sup>1</sup> <https://iopscience.iop.org/article/10.1088/1748-9326/abde08>

We applaud New York for recognizing the environmental and economic value of E15—fuel containing up to 15% ethanol which can be used in more than 96% of all vehicles on the road today—approving it for sale and use in the state in 2019.<sup>2</sup> Simply by using E15 statewide, New York could reduce GHG emissions from the transportation sector.

To further illuminate bioethanol’s potential to reduce emissions, a 2020 study by Air Improvement Resource, Inc. estimates the state could reduce GHG emissions by nearly 774,000 tons annually by replacing E10 gasoline, the most commonly sold and used fuel for internal combustion vehicles, with E15. This is the emissions-reduction equivalent of removing nearly 170,000 vehicles from New York roads without negatively impacting a single driver in the state.<sup>3</sup>

Additionally, E85 is currently available at 120 retail sites in the state<sup>4</sup>. With an existing fleet of more than 633,000 Flex Fuel vehicles (FFVs)<sup>5</sup>, New York can utilize E85, which will promote even greater reductions in GHG emissions in addition to reductions in air toxics. We encourage New York to incentivize the use of FFVs and invest in infrastructure expanding access to E85 in the state. Doing so would achieve multiple goals: improve air quality and GHG emissions, reduce the state’s dependence on fossil fuels, and provide consumers with an affordable choice to power their vehicles.

We believe the lack of an exemption for crop-based biofuels, currently the source of 74% of GHG reductions in states with both a Cap-and-Trade program and a low carbon fuel standard, could ultimately prohibit the use of sizeable volumes of lower-carbon bioethanol. This may inadvertently increase the state’s reliance on fossil fuels for the transportation sector.

Providing an exemption for biofuels in New York’s Cap-and-Invest program creates regulatory synergy with existing carbon markets. It also provides New York the opportunity to link its own market with California, Quebec, and Washington in the future; the latter of which is currently in the process of pursuing linkage with California and Quebec.

We strongly urge DEC and NYSERDA to recognize the role biofuels play in decarbonizing the transportation sector, provide an exemption for biofuels in the Cap-and-Invest program, and establish a regulatory framework encouraging the expanded use of lower-carbon E15 and E85 fuels.

We would be happy to further discuss the role of higher bioethanol blends in further GHG reductions and the additional environmental justice benefits of higher ethanol blends to

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<sup>2</sup> <https://growthenergy.org/wp-content/uploads/2019/11/Fuels-for-Use-in-Automobiles-and-Motor-Driven-Devices-and-State-Register-11-20.pdf>

<sup>3</sup> <http://www.airimprovement.com/reports/national-e15-analysis-final.pdf>

<sup>4</sup> <https://getbiofuel.com/fuelfinder/>

<sup>5</sup> <https://afdc.energy.gov/vehicle-registration>

disadvantaged communities. Thank you for the opportunity to comment and in advance for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Bliley". The signature is stylized and cursive.

Chris Bliley  
Senior Vice President of Regulatory Affairs  
Growth Energy