

OPENING STATEMENT

Ranking Member Alan Grayson (D-FL)
Subcommittee on Energy

The EPA Renewable Fuel Standard Mandate
Joint Subcommittee Hearing

July 23, 2015

Thank you, Chairman Weber, and Chairman Loudermilk, for holding this hearing today.

Currently, The United States consumes more oil than any other nation in the world – 18.9 million barrels per day. China is the next closest at 10.8 million barrels per day.

The sheer volume of America’s oil use means we are constantly furthering global climate change and its disastrous effects. Further, our oil consumption leads America to be heavily dependent on the global market for oil, and this reliance makes our economy vulnerable. Any significant supply disruption has the potential to be a catastrophic economic event.

These concerns, however, can begin to be addressed by the sustainable use of biofuels and long-term policies like the Renewable Fuel Standard, which is what we are here to talk about today. This policy, signed into law twice under President George W. Bush, requires an increase in the production of biofuels that can be introduced into the market. The Renewable Fuel Standard has resulted in greater production of alternative fuels, and has created a burgeoning market for them. Breakthrough technologies have emerged, as have innovations and new infrastructure that are changing the biofuels landscape daily.

As we will hear from Dr. Hill, over the long term we will need to move away from corn-based ethanol due to its supply limitations. In the short-term, we need to ensure that efficient and sustainable practices for producing corn-based ethanol are sufficiently incentivized and enforced. We must also ensure that the market for these first-generation fuels is establishing the necessary infrastructure and investments that will lead to truly sustainable advanced biofuels. The expansion of the Renewable Fuel Standard in 2007 was designed to do just that by increasing levels of advanced biofuels through annual volumetric requirements – requirements I am hopeful that industry and the EPA can come to agreement on and that EPA can begin announcing annually once more.

I look forward to hearing from each of our witnesses on today’s panel, and again thank you for being here. In particular though, I would like to thank Mr. Red for testifying. As you will hear,

Mr. Red is the Vice President of Fuels Development at Applied Research Associates in Panama City, Florida. His company is working on breakthrough products that can be used as drop-in advanced biofuels to replace diesel and jet fuel. He will note that these types of innovations wouldn't have been possible without the Renewable Fuel Standard, which I believe is an important perspective for us all to hear today.