



Department of Energy Resources
Attention: Samantha Meserve
100 Cambridge Street, Suite 1020
Boston, MA 02114

August 7, 2017

RE: Comments on 225 CMR 16:00: Alternative Energy Portfolio Standard (APS)

On behalf of World Energy, we want to thank the Department of Energy Resources (DOER) for all of your significant work on **225 CMR 16:00** in pursuit of reaching the goals established by the Global Warming Solutions Act and promoting diversity in the energy supply with advanced, renewable fuels. We appreciate the opportunity to comment on your latest proposal.

World Energy is a Boston-based renewable energy company that is one of the pioneers in biodiesel production in the United States. World Energy has helped lead the formation of national policy initiatives on a federal and state level for two decades. We have grown into one of the leading producers of biodiesel nationally.

Biodiesel and renewable hydrocarbon diesel, made from a broad and diverse range of regionally abundant feedstocks has been deemed America's first advanced biofuel. It is the only domestic advanced biofuel that has reached full commercialization. And it is the only advanced biofuel that is helping the federal and state governments meet their greenhouse gas (GHG) reduction goals in the heavy-duty diesel and heating oil markets.

World Energy fully supports the comments of the National Biodiesel Board and the comments submitted by the Massachusetts Energy Marketer's Association.

Our first comment to your APS draft is to commend DOER for adopting the definition in the Guideline Document which attempts to reconcile state and national definitions of eligible biofuels under the Massachusetts APS and the Federal Renewable Fuel Standard (RFS). Section 5 (C) is very effective and clear in defining "Eligible Liquid Biofuel" as all biofuels which meet the requirements of the RFS, and it adopts the EPA's analysis for GHG reduction eligibility under the RFS program.

This section is clearly written and necessary. In fact, this language needs to be replicated in the Eligible Liquid Biofuel definition in the draft regulation document. The definition in the regulation document contains vague, confusing, and inconsistent language about being "derived from organic waste feedstocks". As is recognized in Section 5(C) of the guideline document, the EPA has been administering the RFS for seven years and has gone to great lengths to analyze all of the various feedstocks and conduct comprehensive lifecycle analysis and data development for each approved feedstock pathway. Their lifecycle analysis includes examination of multiple iterations of indirect effects of the use of biofuels on a global scale. They review the program constantly through an annual rulemaking process. In the subsequent 7 years, because of yield improvements and other plant science and precision agricultural advancements, plant-based oils have become less and less carbon intensive, while baseline petroleum becomes increasingly carbon intensive. As is recognized in

section 5(C), any biofuel feedstock that meets the definition of “Advanced Biofuel” by reducing GHG by 50% under the EPA’s rigorous analysis should be deemed to meet the eligibility requirements of the MA APS program. It is imperative that all other sections of both the Guideline Document and the Regulation that address the definition of Eligible Liquid Biofuel be reconciled with the language under 5(C), and that inconsistent definitions and references be eliminated.

All APS generation units that are created by biofuels through the MA APS, will also generate RFS credits (RINS) and be governed by the national RFS program which has the exact same GHG reduction goals. For the state to define eligible biofuels under the state program in a way that is inconsistent with the national program, would create needless challenges for the necessary simultaneous compliance of both programs.

The Renewable Fuel Standard is a law established under the Clean Air Act (CAA, 42 U.S.C). The CAA is a powerful federal law that contains robust compliance and enforcement provisions and is rigorously enforced by the EPA, FBI, Secret Service, and other federal law enforcement agencies. Many individuals over the years have gone to prison for violations of the CAA. Indeed, dozens of individuals have been sentenced to long prison terms and millions of dollars of fines for violating provisions of the Renewable Fuel Standard. It would be highly problematic for the state of Massachusetts to create a state biofuel program that has the exact same GHG goals and is concurrently governed by the CAA, but that had compliance provisions that were inconsistent with the Clean Air Act. It is even possible that such a state law could be subject to legal challenge.

Virtually all fats and oils used as biodiesel feedstocks, whether they are from animals or plants, are produced as a by-product of protein production, whether that protein is animal or plant-based. In producing the amount of protein needed for food and feed, surplus fats and oils are produced. Utilizing that surplus oil by-product in biofuels reduces carbon while making the protein portion of the plant or animal more cost effective. As the global population continues to grow, and poorer nations become more developed, resulting in more protein in their diets, more and more protein will be required to feed that growing population. More protein production results in increasing surpluses of fats and oils that can be utilized for biofuels to reduce carbon.

Thank you again for the opportunity to respond to this very important program. As one of the nation’s leading biofuel producers headquartered in Massachusetts, this state program is a major priority for us and we stand ready to provide assistance and insights to you from our two decades of experience helping develop this industry.

Sincerely,

A handwritten signature in black ink, appearing to read "Gene Gebolys", with a long horizontal flourish extending to the right.

Gene Gebolys
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