



**American
GreenFuels**^{LLC}
A KOLMAR AMERICAS COMPANY

December 1, 2017

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

Re: Revisions to 225 CMR 16.00: Alternative Energy Portfolio Standards (APS)

Dear Mrs. Meserve:

American GreenFuels, LLC (“American GreenFuels”) thanks the Massachusetts Department of Energy Resources (“DOER”) for the opportunity to comment on the revised regulatory framework for the inclusion of thermal renewable energy in the Massachusetts Alternative Portfolio Standard (“APS”). American GreenFuels would like to propose several additions and amendments to the proposed regulation to ensure the greatest reduction in greenhouse gas emissions, to ensure this new program provides the greatest benefit to the local economy, and to increase the number of clean energy jobs in the United States.

I. About American GreenFuels

American GreenFuels is a biodiesel production facility located in the Port of New Haven, Connecticut. American GreenFuels produces biodiesel utilizing a variety of feedstocks, but predominately consists of used cooking oil and other waste oils. With name plate capacity of more than 25 million gallons and growing, American GreenFuels is the largest biodiesel production facility in New England.

II. Require the Utilization of Used Cooking Oil or Other Waste Greases

American GreenFuels requests clarification from DOER regarding the eligibility and, or exclusion of certain biofuels from the APS program based on the feedstock used to produce the biodiesel. The regulation 225 CMR 16.02 provides the following definition of ‘Eligible Liquid Biofuel’: “a liquid fuel that is derived from organic waste feedstocks” and “organic waste feedstock shall include, but not be limited to, waste vegetable oils, waste animal fats, or grease trap waste....” It is unclear based on this definition, which specifies ‘waste vegetable oils’ whether virgin vegetable oil based biodiesel, such as soy bean oil, canola oil, and corn oil based biofuels, will meet this definition.

American GreenFuels requests that DOER clarify this definition to specify that only biofuels generated from true waste oils, such as used cooking oil and animal fats, be considered Eligible Liquid Biofuel. These feedstocks, when used in biodiesel production, have been objectively calculated to produce biodiesel with significantly greater greenhouse gas reductions than biodiesel produced with virgin vegetable oils. The advanced models created by the California Air Resources Board (“CARB”) uniformly result in lower ‘Carbon Intensity’ assessments, i.e. the amount of carbon by weight emitted per unit of energy consumed, for waste oil based biodiesel. The CARB models are a significant improvement over generic feedstock based on greenhouse gas emissions analyses, as the CARB model accounts for the entire life-cycle of the feedstock and the fuel. Importantly, these waste oil feedstocks, such as used cooking oil and animal fats, are also cheaper than the virgin vegetable oil feedstocks and that DOER would not be increasing the cost of the eligible biofuels for the Generation Units. Simply put, DOER can provide the Massachusetts the best greenhouse gas reduction results available for biodiesel—without increasing the cost of such

10 Middle Street - PH **MAIN OFFICE**
Bridgeport, Connecticut 06604

30 Waterfront Street **PLANT**
New Haven, Connecticut 06512

fuels by electing to only include actual waste oils, such as used cooking oil and animal fats, in the definition of Eligible Liquid Biofuel.

III. Exclusion of Foreign-Origin Biodiesel

American GreenFuels asks that DOER amend the definition of “Eligible Liquid Biofuel” provided in 225 CMR 16.02 as follows (suggested changed in *italics*): “a liquid fuel that is derived from organic waste feedstock *and manufactured within the United States.*” This amended definition would exclude foreign-origin biofuels from being used to generate Attributes (as defined in the statute) in compliance with the APS program. By eliminating foreign-origin biofuels from eligibility, DOER can encourage the growth of companies engaged in the production of biodiesel in Massachusetts, as well as the rest of the United States. This is important as Massachusetts has several waste oil collectors and several small biodiesel producers, who are often forced to contend with foreign competitors who receive local subsidies or other assistance that places United States producers on an unequal playing field. Further, these greenhouse gas savings of using these fuels, the far majority of which utilize the higher CI intensive soy bean oil as feedstock, is undercut by the need to freight them great distances—often by ocean going vessel. By encouraging the use of locally produced biofuels, DOES can both improve the local economy and the local environment.

American GreenFuels must also note, however, that the current product capacity of biofuels producers in Massachusetts is approximately 1.5 million gallons per year and not currently sufficient to meet the needs of the APS program. Based on the needs to the program, it is necessary to expand eligible production region to include the remainder of the United States.

IV. Increase the Cap On The Available Number of Attributes for Generation Units Using Eligible Liquid Biofuel

In 16.05(4)(j) Cap On The Available Number of Attributes for Generation Units Using Eligible Liquid Fuel, DOER caps a Generation Unit’s ability to utilize biofuels to meet its APS requirements. American GreenFuels understands that DOER wishes to cap the ability of biofuels to meet the entirety of the Generation Units obligations in order to encourage the use of other compliant fuels—and to encourage the growth of new, alternative fuels. The proposed cap of 20%, however, is far too low to be an effective incentive to increase the use of biofuels in Massachusetts. In concert with the comments submitted by the Massachusetts Energy Marketer’s Association (“MEMA”) American GreenFuels also recommends an increase in this cap from the current proposed 20% to 40%.

V. Conclusion

American GreenFuels appreciates DOER’s consideration of these comments and hopes DOER will find them beneficial to the final rulemaking process. Please do not hesitate to contact me directly, at 203-873-2051 or at p.teta@kolmar-americas.com if you have any questions or wish to discuss these recommendations.

Sincerely,



Paul F. Teta

Vice President and General Counsel

American GreenFuels, LLC