



At a Glance

Why We Did This Review

We conducted this evaluation to determine whether the U.S. Environmental Protection Agency (EPA) complied with statutory reporting requirements pertaining to the Renewable Fuel Standard (RFS). We also sought to determine whether the EPA updated the lifecycle analysis supporting the RFS with findings from the statutorily mandated National Academy of Sciences 2011 study on biofuels, the EPA's 2011 Report to Congress on the Environmental Impacts of Biofuels, and any subsequent reports or relevant research on biofuels.

The RFS program requires a certain volume of renewable fuel to replace or reduce the quantity of petroleum-based transportation fuel, heating oil or jet fuel. It was created with the intent to reduce greenhouse gas emissions and expand the nation's renewable fuels sector, while reducing reliance on imported oil.

This report addresses the following EPA goals or cross-agency strategies:

- *Addressing climate change and improving air quality.*
- *Embracing EPA as a high-performing organization.*
- *Working toward a sustainable future.*

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EPA Has Not Met Certain Statutory Requirements to Identify Environmental Impacts of Renewable Fuel Standard

What We Found

The EPA's Office of Research and Development has not complied with the requirement to provide a report every 3 years to Congress on the impacts of biofuels. The EPA provided a report to Congress in 2011, but has not provided subsequent reports as required.

The EPA, Congress and other stakeholders lack key information on biofuel impacts needed to make science-based decisions about RFS.

In addition, the EPA's Office of Air and Radiation has not fulfilled the anti-backsliding requirements for RFS, which are to analyze and address any negative air quality impacts of RFS. In 2010, the EPA completed a comprehensive lifecycle analysis to determine greenhouse gas reduction thresholds for RFS. Although not required to do so, the EPA committed to update this analysis as lifecycle science evolves, but does not have a process for initiating an update.

The RFS reporting requirement provides for an objective analysis on the environmental impacts and unintended consequences of U.S. biofuel policy. This analysis is important given conflicting scientific opinions about biofuel impacts, potential impacts outside of the EPA's regulatory control, and divergent RFS interests. The EPA does not have an assessment that meets the requirement to identify whether RFS creates any impacts on air quality and, thus, take required measures to mitigate impacts. This information is needed to fully inform the EPA, Congress and other stakeholders of the environmental impacts of U.S. biofuel policy. In June 2016, Congress held a hearing on RFS implementation. Members expressed bipartisan interest in receiving more information from the EPA on the environmental impacts, to help assess whether the law's original intent is being achieved and at what cost.

Recommendations and Planned Agency Corrective Actions

We recommend the Assistant Administrator for Research and Development provide to Congress triennial reports on the impacts of biofuels as required. We recommend the Assistant Administrator for Air and Radiation complete the anti-backsliding study as required; determine if additional mitigation is needed; and, although not required by statute, develop or identify the process for evaluating the lifecycle science and determining whether to update the greenhouse gas threshold determinations. The EPA agreed with all recommendations and provided planned completion dates; thus, these recommendations are considered resolved and open pending completion.