

SABR Coalition SUSTAINABLE ADVANCED BIOFUEL REFINERS www.sabrcoalition.org



March 18, 2025

Via Electronic Filing (www.regulations.gov)

William Hohenstein Director of Office of Energy and Environmental Policy U.S. Department of Agriculture 1400 Independence Avenue, SW Washington, DC 20250

ATTN: Docket No. USDA-2024-0003

Re: Technical Guidelines for Climate-Smart Agriculture Crops Used as

Biofuel Feedstocks, Interim Rule, 90 Fed. Reg. 5497 (Jan. 17, 2025)

Dear Mr. Hohenstein:

The Sustainable Advanced Biofuel Refiners (SABR) Coalition is a coalition of biodiesel stakeholders that have invested in building out America's first advanced biofuel. It includes stakeholders from every link in the value chain from feedstock growers to biodiesel producers, distributors, retailers, and consumers, as well as infrastructure and products and services suppliers. Biodiesel can be produced from a range of feedstocks, including oil from numerous oilseed crops. The U.S. Department of Agriculture (USDA) has issued an Interim Rule entitled "Technical Guidelines for Climate-Smart Agriculture Crops Used as Biofuel Feedstocks" (Interim Rule), which establishes technical guidelines for quantifying, reporting, and verifying the greenhouse gas emissions (GHG) associated with agricultural production of biofuel feedstock commodity crops grown in the United States. SABR Coalition supports USDA's efforts to quantify these emissions to promote the innovation and efforts of this nation's farmers to mitigate harm attributed to weather changes while contributing to this country's energy needs. We appreciate the opportunity to submit these comments and urge USDA to continue to expand and improve upon this very important first step to acknowledge the benefits of climate-smart agriculture practices for the environment, the economy, and this country's energy independence.

USDA Should Expand the Crops and Practices Covered by the USDA FD-CIC Model.

SABR appreciates the inclusion of soybean crops in the interim rule; soybean oil is the most abundant and important domestic feedstock, but there are many other domestic feedstocks that can be used for the production of biodiesel. Ensuring diverse feedstocks is imperative to provide producers with flexibility, to promote efficiency and competition, and to protect against volatility in the market. USDA should continue to work to include, at a minimum, all oilseed crops that the U.S. Environmental Protection Agency (EPA) has found eligible as feedstock for

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biodiesel under the Renewable Fuel Standard (RFS) program. These include canola, brassica carinata, camelina, pennycress, cottonseed and jatropha. USDA requested comments on consideration of spring and winter canola, in particular. We refer USDA to updated information on canola production, including use of no-till or reduced tilling practices, that was provided to EPA in support of its lifecycle GHG emissions analysis.¹

USDA should also include a process to add feedstocks, as other crops continue to be reviewed and could be viable feedstocks for biodiesel. These include hemp,² sunflower,³ peanut,⁴ and flaxseed.⁵ Providing incentives by crediting emissions reductions at the farm level could help support growth of these feedstocks.

SABR Coalition also appreciates that the Interim Rule appears to allow farmers to obtain an accounting for individual practices that they may utilize (as opposed to "bundles" of practices), but that the model only includes certain practices. As with feedstocks, USDA should provide opportunities to determine carbon intensity scores for other agricultural practices that may not have been included in the USDA FD-CIC Model. We understand that time and resources are limited, but this would allow for continued innovation while recognizing the differences in practices across regions and crops. SABR Coalition further notes that biodiesel can be used to reduce emissions from farm energy use, which should be allowed to be taken into account when assessing upstream emissions in a lifecycle analysis.

USDA Should Allow for Book and Claim Accounting.

The Interim Rule provides for a mass balance approach to tracking crops from farms utilizing climate-smart agriculture practices. We certainly appreciate allowing use of a mass balance approach due to the impracticality, if not impossibility, of identity preservation in the U.S. crop commodity markets. However, the mass balance approach in the Interim Rule can present difficulties when crops are not sold directly to biofuel producers. For example, only integrated biodiesel plants are likely to purchase soybeans directly to be crushed in their crushing facilities. Non-integrated biodiesel plants will likely purchase the oil from a party that crushes and/or processes the soybean oil to remove certain constituents for the soybean oil to be used for biodiesel production. The requirements in the Interim Rule could make it difficult for farmers to obtain the benefits of the practices they are implementing. Moreover, biodiesel facilities are

¹ U.S. Canola Association Petition to EPA (2020), EPA-HQ-OAR-2021-0845-0040 (available at www.regulations.gov).

² M.A. Asokan, et al., *Emission and performance behavior of hemp seed oil biodiesel/diesel blends in DI diesel engine*, Materials Today: Proceedings, Vol. 46, pp. 8127-8132 (2021).

³ See Farm Energy, Sunflowers for Biofuel Production, Apr. 3, 2019, https://farm-energy.extension.org/sunflowers-for-biofuel-production/. Residues of the sunflower crops can also be used in the production of biogas. See Elham Ebrahimian, et al., Biomethane and biodiesel production from sunflower crop: A biorefinery perspective, Renewable Energy, Vol. 200, pp. 1352-1361 (2022).

⁴ USDA Agricultural Research Service, *Peanut Biodiesel – From the field to the fuel tank*, https://www.ars.usda.gov/southeast-area/dawson-ga/national-peanut-research-laboratory/docs/peanut-biodiesel/ (last modified Aug. 13, 2016).

⁵ M.A. Asokan, et al., *Emission and performance behavior of flax seed oil biodiesel/diesel blends in DI diesel engine*, Materials Today: Proceedings, Vol. 46, pp. 8148-8152 (2021).

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located across the country, and the reporting and verification requirements may limit their ability to utilize these feedstocks, which, again, could reduce the incentives that USDA is trying to support through these efforts.

USDA specifically requests comments on a transition to a book and claim process. Book and claim processes have been used in numerous programs, including verification processes. There are numerous models for USDA to consider, including the Renewable Identification Number (RIN) system under the RFS. In such a case, farmers would still need to retain all appropriate records to show what practices were used and for which crops, and the farmers can provide certificates to reflect the appropriate volume of feedstock that can be sold directly to biofuel producers. The volume of feedstock reflected in those certificates can then be matched up with the volumes of biodiesel produced. This provides less disruption to current market dynamics, providing better liquidity for biofuel producers. Such a process should provide some liability protection for the biodiesel producer that has no control over the agricultural practices or verifiers if a problem is subsequently found.

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In short, SABR strongly supports USDA's efforts to establish guidelines to account for climate-smart agriculture practices when considering lifecycle greenhouse gas emissions. SABR Coalition believes that crop-based feedstocks are unfairly penalized based on speculative indirect emissions from purported land use changes that have not been seen in the real world. Even as biofuel production has increased, farmers continue to produce crops on less lands, not more. This is an important step forward, and SABR Coalition urges USDA to continue these efforts.

SABR also notes its support for comments submitted by the American Soybean Association on the Interim Rule.

Thank you for your consideration of these comments.

Sincerely,

Joe Jobe Chief Executive Officer SABR Coalition