

**Testimony of Marc Smith, National Wildlife Federation**  
**Public Hearing on EPA's Proposed Rule for Renewable Fuel Requirements in 2019 and Biomass-Based Diesel in 2020**  
**Wednesday, July 18, 2018**

My name is Marc Smith, and I serve as director of conservation partnerships with the National Wildlife Federation's Great Lakes Regional Center in Ann Arbor, Michigan. Much of our work in this office focuses on protecting and restoring the health of the Great Lakes and the rivers and wetlands that feed them. This includes focused efforts to combat the massive annual toxic algal blooms in western Lake Erie that are fed in large part by nutrients in agricultural runoff.

In my comments today, I will make the case for the Environmental Protection Agency to lower the levels of biofuels required next year, and of biomass-based diesel in 2020, because of the negative impacts the production of these fuels has on water quality, land use, wildlife habitat, and air emissions. I will also ask that the agency jettison its "aggregate compliance" approach to land conversion restrictions in the law and request that you establish a meaningful method of enforcing the law's requirement that fuels not be produced from crops grown on recently converted farmland.

For years, scientific evidence has been mounting that points to dramatic negative consequences stemming from the industrial cultivation of corn and soybeans to produce the current 19 billion gallons of biofuel mandated under the Renewable Fuel Standard regulations. The Environmental Protection Agency finally acknowledged and documented these impacts in its long-overdue Second Triennial Report to Congress, issued less than three weeks ago. Some of that report's findings include:

- 1. The Renewable Fuel Standard has contributed to massive conversion of wildlife habitat to corn and soybeans.** Despite a provision in law that requires biofuel used for compliance with the RFS to be made from crops grown on land already in crop production as of 2007, the report points to a variety of governmental and academic studies that show new land brought into corn and soy production after this time, often in correlation with ethanol production facilities.
- 2. Demand for biofuel feedstocks may contribute to harmful algal blooms, as recently observed in western Lake Erie, and to hypoxia, as observed in the northern Gulf of Mexico.** Not only are crops being grown on more land, but they are being grown more intensely, with more fertilizer applied and less use of conservation rotations. The influx of nutrient-laden runoff from new agriculture lands and more intense production has worsened water quality, threatened drinking water supplies, and set back conservation efforts around the country.
- 3. Expansion of corn production in arid Western states is adding additional stress to over-tapped water supplies such as the Ogallala aquifer.**
- 4. The conversion of environmentally-sensitive land to corn and soy production brings declines in ecosystem health and biodiversity.** Loss of habitat, more intensive production, and increased nutrient runoff have impacted a wide range of plant and animal life, including loss of imperiled native prairie, impacts to already declining grassland birds, increased mortality for pollinators like monarch butterflies and commercial bee colonies, and detriment to aquatic species.
- 5. Conversion of grasslands to corn and soy production adversely affects soil quality, with increases in erosion and the loss of soil nutrients and soil organic matter, including soil carbon.** Indeed, the University of Wisconsin has estimated that total carbon emissions resulting

from land conversion equaled the emissions of 20 million additional cars on the road each year at its height, surpassing that in hot spots of tropical deforestation.

**6. Increasing biodiesel imports could potentially have major land and habitat implications in other countries.**

The EPA Triennial report makes it unequivocally clear that the nation's current biofuels policy is damaging our environment, and changes are urgently needed if we are to protect our wildlife habitat, drinking water, and climate. By recognizing and acknowledging the extent of these impacts, the agency now has a duty to act to minimize or reverse them. The law clearly provides EPA with the authority to reduce the required biofuel volumes if the requirement results in severe environmental harm. The report's findings that I just listed, which impact vast swaths of the country and coastline, a host of plant and animal species, and the health of millions of Americans, clearly constitute such harm.

Therefore, with its current proposed rule, the EPA should do two things.

First, it must invoke its general waiver authority to reduce the required biofuel volumes well below current levels. Ideally, the levels would be set at the minimum amount necessary for meeting air quality standards.

Second, the agency must abandon its aggregate compliance approach to land use change, in recognition of the clear fact that this method has demonstrably failed to prevent land use change and the production of biofuels from feedstocks grown on ineligible lands. Meaningful implementation of this part of the law would require producers to demonstrate that their fuels comply with this sourcing requirement in order to qualify for the program.

The RFS was created with the best of intentions, yet it has failed to live up to them and has even taken us backward in our environmental stewardship. Now that the EPA has admitted as much, it is time for the agency to use its authorities under the law to rectify this situation, starting with the current rulemaking.

Thank you.