Environmental Protection Agency

Subpart K—Renewable Fuel Standard

§80.1100 How is the statutory default requirement for 2006 implemented?

(a) *Definitions*. For calendar year 2006, the definitions of section 80.2 and the following additional definitions apply to this section.

(1) Renewable fuel. (i) Renewable fuel means motor vehicle fuel that is used to replace or reduce the quantity of fossil fuel present in a fuel mixture used to operate a motor vehicle, and which:

(A) Is produced from grain, starch, oil seeds, vegetable, animal, or fish materials including fats, greases, and oils, sugarcane, sugar beets, sugar components, tobacco, potatoes, or other biomass; or

(B) Is natural gas produced from a biogas source, including a landfill, sew-age waste treatment plant, feedlot, or other place where decaying organic material is found.

(ii) The term "renewable fuel" includes cellulosic biomass ethanol, waste derived ethanol, biodiesel, and any blending components derived from renewable fuel.

(2) Cellulosic biomass ethanol means ethanol derived from anv lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis, including dedicated energy crops and trees, wood and wood residues, plants, grasses, agricultural residues, fibers, animal wastes and other waste materials, and municipal solid waste. The term also includes any ethanol produced in facilities where animal wastes or other waste materials are digested or otherwise used to displace 90 percent or more of the fossil fuel normally used in the production of ethanol

(3) Waste derived ethanol means ethanol derived from animal wastes, including poultry fats and poultry wastes, and other waste materials, or municipal solid waste.

(4) *Small refinery* means a refinery for which the average aggregate daily crude oil throughput for a calendar year (as determined by dividing the aggregate throughput for the calendar year by the number of days in the calendar year) does not exceed 75,000 bar-rels.

(5) *Biodiesel* means a diesel fuel substitute produced from nonpetroleum renewable resources that meets the registration requirements for fuels and fuel additives established by the Environmental Protection Agency under section 211 of the Clean Air Act. It includes biodiesel derived from animal wastes (including poultry fats and poultry wastes) and other waste materials, or biodiesel derived from municipal solid waste and sludges and oils derived from wastewater and the treatment of wastewater.

(b) Renewable Fuel Standard for 2006. The percentage of renewable fuel in the total volume of gasoline sold or dispensed to consumers in 2006 in the United States shall be a minimum of 2.78 percent on an annual average volume basis.

(c) *Responsible parties*. Parties collectively responsible for attainment of the standard in paragraph (b) of this section are refiners (including blenders) and importers of gasoline. However, a party that is a refiner only because he owns or operates a small refinery is exempt from this responsibility.

(d) EPA determination of attainment. EPA will determine after the close of 2006 whether or not the requirement in paragraph (b) of this section has been met. EPA will base this determination on information routinely published by the Energy Information Administration on the annual domestic volume of gasoline sold or dispensed to U.S. consumers and of ethanol produced for use in such gasoline, supplemented by readily available information concerning the use in motor fuel of other renewable fuels such as cellulosic biomass ethanol, waste derived ethanol, biodiesel, and other non-ethanol renewable fuels.

(1) The renewable fuel volume will equal the sum of all renewable fuel volumes used in motor fuel, provided that:

(i) One gallon of cellulosic biomass ethanol or waste derived ethanol shall be considered to be the equivalent of 2.5 gallons of renewable fuel; and

(ii) Only the renewable fuel portion of blending components derived from renewable fuel shall be counted towards the renewable fuel volume.

§80.1101

(2) If the nationwide average volume percent of renewable fuel in gasoline in 2006 is equal to or greater than the standard in paragraph (b) of this section, the standard has been met.

(e) Consequence of nonattainment in 2006. In the event that EPA determines that the requirement in paragraph (b) of this section has not been attained in 2006, a deficit carryover volume shall be added to the renewable fuel volume obligation for 2007 for use in calculating the standard applicable to gasoline in 2007.

(1) The deficit carryover volume shall be calculated as follows:

DC = Vgas * (Rs - Ra)

Where:

DC = Deficit carryover, in gallons, of renewable fuel.

Vgas = Volume of gasoline sold or dispensed to U.S. consumers in 2006, in gallons. Bs = 0.0278

Ra = Ratio of renewable fuel volume divided by total gasoline volume determined in accordance with paragraph (d)(2) of this section.

(2) There shall be no other consequence of failure to attain the standard in paragraph (b) of this section in 2006 for any of the parties in paragraph (c) of this section.

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§80.1101 Definitions.

The definitions of §80.2 and the following additional definitions apply for the purposes of this subpart. For calendar year 2007 and beyond, the definitions in this section §80.1101 supplant those in §80.1100.

(a) Cellulosic biomass ethanol means either of the following:

(1)Ethanol derived from any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis and includes any of the following:

(i) Dedicated energy crops and trees.

(ii) Wood and wood residues.

(iii) Plants.

(iv) Grasses. (v) Agricultural residues.

(vi) Animal wastes and other waste materials, the latter of which may include waste materials that are residues (e.g., residual tops, branches, and limbs from a tree farm).

(vii) Municipal solid waste.

40 CFR Ch. I (7-1-11 Edition)

(2) Ethanol made at facilities at which animal wastes or other waste materials are digested or otherwise used onsite to displace 90 percent or more of the fossil fuel that is combusted to produce thermal energy integral to the process of making ethanol, bv:

(i) The direct combustion of the waste materials or a byproduct resulting from digestion of such waste materials (e.g., methane from animal wastes) to make thermal energy; and/ \mathbf{or}

(ii) The use of waste heat captured from an off-site combustion process as a source of thermal energy.

(b) Waste derived ethanol means ethanol derived from either of the following:

(1) Animal wastes, including poultry fats and poultry wastes, and other waste materials.

(2) Municipal solid waste.

(c) Biogas means methane or other hydrocarbon gas produced from decaying organic material, including landfills, sewage waste treatment plants, and animal feedlots.

(d) Renewable fuel. (1) Renewable fuel is any motor vehicle fuel that is used to replace or reduce the quantity of fossil fuel present in a fuel mixture used to fuel a motor vehicle, and is produced from any of the following:

(i) Grain.

(ii) Starch.

(iii) Oilseeds.

(iv) Vegetable, animal, or fish materials including fats, greases, and oils.

(v) Sugarcane.

(vi) Sugar beets.

(vii) Sugar components.

(viii) Tobacco.

(ix) Potatoes.

(x) Other biomass.

(xi) Natural gas produced from a biogas source, including a landfill, sewage waste treatment plant, feedlot, or other place where there is decaying organic material.

(2) The term "Renewable fuel" includes cellulosic biomass ethanol, waste derived ethanol, biodiesel (monoalkyl ester), non-ester renewable diesel, and blending components derived from renewable fuel.