

Using Homegrown Biofuels to Address Putin’s Price Hike at the Pump and Lower Costs for American Families

The President is committed to doing everything he can to address the pain Americans are feeling at the pump as a result of Putin’s Price Hike. The Administration’s strategy to spur the development of homegrown biofuels is critical to expanding Americans’ options for affordable fuel in the short-term and to building real energy independence in the long-term by reducing our reliance on fossil fuels. Today, the President is announcing new steps to achieve that goal by increasing fuel supplies, offering more consumer choices, and reducing gasoline prices for Americans.

Expanding Americans’ Access to Affordable Fuel Options This Summer

The President will announce today that the EPA Administrator is planning to allow E15 gasoline—gasoline that uses a 15 percent ethanol blend—to be sold this summer. This is the latest step in expanding Americans’ access to affordable fuel supply and bringing relief to Americans suffering from Putin’s Price Hike at the pump.

- To make E15 available in the summer, the Environmental Protection Agency (EPA) is planning to issue a national, emergency waiver. Without this action, E15 cannot be used in most of the country from June 1st to September 15th, and the EPA plans to take final action to issue the emergency waiver closer to June 1st. E15 is currently offered at 2,300 gas stations in the country, where it can serve as an important – and more affordable – source of fuel.
- An emergency waiver can help increase fuel supplies, give consumers more choice to get lower prices, and provide savings to many families. At current prices, E15 can save a family 10 cents per gallon of gas on average, and many stores sell E15 at an even greater discount. For working families – families eager to travel and visit their loved ones – that will add up to real savings. Allowing higher levels of blending will also reduce our dependency on foreign fuels as we rely more heavily on home-grown biofuels. This will help us bridge towards real energy independence.
- In implementing this emergency fuel waiver, EPA will work with states across the country to ensure there are no significant air quality impacts through the summer driving season.
- EPA is also considering additional action to facilitate the use of E15 year-round, including continued discussions with states who have expressed interest in allowing year-round use of E15 and considering modifications to E15 fuel pump labeling.

The announcements today build on the steps the President has taken in recent weeks to address the Putin Price Hike and bring relief to Americans at the gas pump.

- President Biden worked with allies and partners through the International Energy Agency to authorize a historic release from petroleum reserves around the world, putting 240 million barrels of oil on the market in the next six months – more than one million barrels per day.
- The President called for a “use it or lose it” policy to make oil companies pay fees on wells from their leases that they haven’t used in years and on acres of public lands that they are holding without producing.
- The President put forward concrete steps to promote real independence from fossil fuels by accelerating the transition to clean energy, ranging from incentives for electric vehicles to Defense Production Act authority for large capacity batteries to a new partnership to reduce European reliance on natural gas.

Enabling Energy Independence by Boosting Homegrown Biofuels

The President believes that the actions of a dictator half a world away should not impact what families pay at the pump here at home. Today’s actions also reinforce the Biden-Harris Administration’s goal of achieving real energy independence and commitment to a long-term strategy to spur smart development and adoption of sustainable, homegrown fuels.

The Administration has announced the following key steps:

- **\$700 Million for Biofuels Producers:** As part of the Pandemic Assistance for Producers initiative, USDA will provide up to \$700 million in funding through a new Biofuel Producer Program. The Program will support agricultural producers that rely on biofuels producers as a market for their agricultural products. By making payments to producers of biofuels, the funding will help maintain a viable and significant market for such agricultural products. Producers can expect awards before the end of April.
- **\$5.6 million for Infrastructure for Renewable Fuels through the Higher Blends Infrastructure Incentive Program:** To expand the infrastructure for renewable fuels derived from U.S. agricultural products, USDA is announcing \$5.6 million in grants through [the Higher Blends Infrastructure Incentive Program](#). The purpose of the program is to significantly increase the sales and use of higher blends of ethanol and biodiesel. The awards being announced today will support 9 projects in 7 states.
- **\$100 Million for Biofuels Infrastructure:** Investing in biofuels infrastructure ensures that market opportunities are available for sustainable fuel sources—and that those sustainable fuels can reach consumers. That is why USDA announced \$100 million in new funding for grants for biofuels infrastructure. The funding will provide grants to refueling and distribution facilities for the cost of installation, retrofitting or otherwise upgrading of infrastructure required at a location to ensure the environmentally safe availability of fuel containing ethanol blends of E15 and greater or fuel containing biodiesel blends B-20 and greater. USDA will also make funding available to support

biofuels for railways as a means of assisting with supply chains and helping to reduce costs for consumer goods and transportation.

- **Spurring a New Market in Sustainable Aviation Fuels:** The Administration announced new actions to support sustainable aviation with a focus on low-carbon fuels that will create economic opportunity for agricultural communities. This included:
 - A new Sustainable Aviation Fuel Grand Challenge to inspire the dramatic increase in the production of sustainable aviation fuels to at least 3 billion gallons per year by 2030;
 - New and ongoing funding opportunities to support sustainable aviation fuel projects and fuel producers totaling up to \$4.3 billion; and
 - An increase in R&D activities to demonstrate new technologies that can achieve at least a 30% improvement in aircraft fuel efficiency.
- **Expanding Use of Canola Oil:** Today, EPA is also announcing efforts to expand supply and choices for other forms of fuel, such as diesel and jet fuel. The Agency is proposing a new approval for canola oil that will add new pathways for fuels to participate in the Renewable Fuel Standard program to provide renewable diesel, jet fuel and other fuels. This action demonstrates EPA's commitment to approving new petitions for renewable fuels that can provide greenhouse gas benefits as well as reduce reliance on petroleum fuels.

These actions are critical to building real energy independence and protecting Americans from volatile prices by reducing our reliance on fossil fuels. Together, they will create good-paying jobs, support American agriculture and manufacturing, and accelerate the transition to clean energy.