



**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF AGRICULTURE**

June 17, 2022

The Honorable Tom Wolf
Governor of Pennsylvania
225 Main Capitol Building
Harrisburg, PA 17120

Re: Suspension of 2% Biodiesel Content Mandate

Dear Governor Wolf:

The Department of Agriculture (PDA) received a request to suspend the 2% biodiesel content mandate in diesel fuel sold for on-road imposed under section 3(a)(1) of the Biofuel Development and In-State Production Incentive Act (Act) (73 P.S. § 1650.3(a)(1)).

The request was made under section 5(d) of the Act (73 P. S. § 1650.5(d)), which authorizes PDA, in consultation with the Department of Environmental Protection (DEP), to suspend or modify to reduce the mandated content required by section 1650.3(a)(1) of the Act if PDA determines that doing so is warranted by factors, including but not limited to, substantially increased costs to consumers or insufficient quantity or distribution of biodiesel.

In consultation with DEP, PDA has reviewed the industry's evaluation of the impact of ongoing market price volatility on the consumption and availability of diesel fuel in Pennsylvania. Because wholesalers are unable to forecast the ongoing diesel fuel needs for in-state customers, they have ceased carrying a surplus of diesel fuel. The extreme price fluctuation and limited inventory from wholesalers have caused low stock and rolling outages of diesel fuel throughout Pennsylvania. Based on this evaluation, PDA has determined, and DEP concurs, that it is necessary to take further action to minimize or prevent disruption of the supply of diesel fuel in Pennsylvania.

In accordance with the authority granted by section 5(d) of the Act, PDA hereby issues a partial and temporary suspension of the 2% biodiesel content mandate in this Commonwealth required under section 3(a)(1) of the Act. The suspension shall be effective Monday, June 27, 2022 until 11:59 p.m. on Tuesday, July 26, 2022, subject to the following terms and conditions:

- a) All in-state terminal facilities shall continue to receive and blend diesel fuel in compliance with 2% biodiesel content mandate and all other provisions of the Act. Additionally, these facilities should consider higher blends within the acceptable OEM engine requirements and their customer's ability to make such products available to consumers.
- b) During the period of this temporary suspension, the sale of diesel fuel for use in on-road compression ignition engines by any retailer, as defined in the Act, shall not be subject to the 2% biodiesel content mandate required by section 3(a)(1) of the Act. Any retailer that took delivery of diesel fuel blended outside the Commonwealth and which is not compliant with the mandated 2% biodiesel content required by section 3(a)(1) may sell such diesel fuel to consumers during the period of this suspension.



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- c) After this temporary suspension expires, any retailer that took delivery of diesel fuel that is not compliant with the 2% biodiesel mandate during the period of suspension may sell the non-compliant diesel fuel already in its possession for use in on-road compression ignition engines. Any deliveries of diesel fuel to a retailer after this temporary suspension expires shall be subject to all provisions of the Act.

PDA will continue to monitor conditions impacting the available supply of 2% biodiesel blend in the Commonwealth. Should conditions warrant, this suspension may be modified, terminated or extended as appropriate.

Questions about this suspension should be directed to PDA through the Bureau of Ride and Measurement Standards Director Walter Remmert at 717.787.9089 or wremmert@pa.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Russell C. Redding".

Russell C. Redding
Secretary

cc: Secretary McDonnell, Department of Environmental Protection