

117TH CONGRESS
2D SESSION

S. 4038

To increase the production and use of renewable diesel and sustainable aviation fuel, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 7, 2022

Mr. BARRASSO (for himself, Mrs. FEINSTEIN, Mr. CASSIDY, Mr. LUJÁN, and Mr. DAINES) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To increase the production and use of renewable diesel and sustainable aviation fuel, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Renewable Diesel and
5 Sustainable Aviation Fuel Parity Act of 2022”.

6 **SEC. 2. RENEWABLE DIESEL AND SUSTAINABLE AVIATION**
7 **FUEL PRODUCTION AND IMPORTS.**

8 (a) DEFINITION OF SUSTAINABLE AVIATION
9 FUEL.—In this section, the term “sustainable aviation
10 fuel” means liquid that—

1 (1) meets the requirements of—

2 (A) ASTM International Standard D7566;

3 or

4 (B) the coprocessing provisions of ASTM
5 International Standard D1655, Annex A1;

6 (2) is not derived from palm fatty acid dis-
7 tillates, palm oil, natural gas, coal, or petroleum;
8 and

9 (3) compared to petroleum-based jet fuel, has
10 at least a 50 percent reduction in lifecycle green-
11 house gas emissions, as measured in accordance
12 with—

13 (A) section 211(o)(1)(H) of the Clean Air
14 Act (42 U.S.C. 7545(o)(1)(H)); or

15 (B) the methodology referenced in the
16 most recent Carbon Offsetting and Reduction
17 Scheme for International Aviation, as adopted
18 by the International Civil Aviation Organization
19 with the agreement of the United States.

20 (b) REPORTED DATA.—Not later than January 1,
21 2025, the Secretary of Energy, acting through the Admin-
22 istrator of the Energy Information Administration, shall
23 include in the Petroleum Supply Monthly, Petroleum Sup-
24 ply Annual, Annual Energy Outlook, and any other rel-
25 evant report of the Energy Information Administration,

1 as determined by the Administrator of the Energy Infor-
2 mation Administration, data on renewable diesel and sus-
3 tainable aviation fuel, subject to subsection (c), includ-
4 ing—

5 (1) the type, origin, and volume of feedstock
6 used in the production of—

7 (A) renewable diesel—

8 (i) in each State or, if appropriate,
9 Petroleum Administration for Defense Dis-
10 trict, as applicable;

11 (ii) in the United States; and

12 (iii) to the maximum extent prac-
13 ticable, in each foreign country, as applica-
14 ble; and

15 (B) sustainable aviation fuel—

16 (i) in each State or, if appropriate,
17 Petroleum Administration for Defense Dis-
18 trict, as applicable;

19 (ii) in the United States; and

20 (iii) to the maximum extent prac-
21 ticable, in each foreign country, as applica-
22 ble;

23 (2) the total amount of renewable diesel—

24 (A) produced—

25 (i) in each State, as applicable; and

1 (ii) in the United States; and

2 (B) imported from—

3 (i) each foreign country, as applicable;

4 and

5 (ii) all foreign countries, as applicable;

6 and

7 (3) the total amount of sustainable aviation
8 fuel—

9 (A) produced—

10 (i) in each State, as applicable; and

11 (ii) in the United States; and

12 (B) imported from—

13 (i) each foreign country, as applicable;

14 and

15 (ii) all foreign countries, as applicable.

16 (c) REPORTING REQUIREMENTS.—Data published
17 under subsection (b) shall—

18 (1) be obtained using an accounting method-
19 ology that—

20 (A) is consistent with generally accepted
21 accounting principles; and

22 (B) ensures no double counting of feed-
23 stock or fuel; and

1 (2) be consistent with restrictions necessary to
 2 protect competitively sensitive information, in ac-
 3 cordance with—

4 (A) section 552 of title 5, United States
 5 Code;

6 (B) section 1905 of title 18, United States
 7 Code; and

8 (C) section 1004.11 of title 10, Code of
 9 Federal Regulations (or a successor regulation).

10 **SEC. 3. AMENDMENTS TO THE ENERGY POLICY ACT OF**
 11 **2005.**

12 (a) BIOENERGY PROGRAM.—Section 932(b)(5) of the
 13 Energy Policy Act of 2005 (42 U.S.C. 16232(b)(5)) is
 14 amended by inserting “, including regenerative farming
 15 practices” after “feedstocks”.

16 (b) INCENTIVES FOR INNOVATIVE TECHNOLOGIES.—
 17 Section 1703(b)(10) of the Energy Policy Act of 2005 (42
 18 U.S.C. 16513(b)(10)) is amended by striking “at which
 19 crude oil is refined into gasoline.” and inserting the fol-
 20 lowing: “at which—

21 “(A) crude oil is refined into gasoline; or

22 “(B) animal fats, vegetable oils, waste
 23 streams from materials from biogenic origin, or
 24 renewable biomass (as defined in section
 25 211(o)(1) of the Clean Air Act (42 U.S.C.

1 7545(o)(1)), but excluding palm fatty acid dis-
 2 tillates and palm oil) are refined into—
 3 “(i) renewable diesel;
 4 “(ii) renewable gasoline;
 5 “(iii) renewable naphtha; or
 6 “(iv) sustainable aviation fuel (as de-
 7 fined in section 2(a) of the Renewable Die-
 8 sel and Sustainable Aviation Fuel Parity
 9 Act of 2022).”.

10 **SEC. 4. AMENDMENTS TO THE ENERGY INDEPENDENCE**
 11 **AND SECURITY ACT OF 2007.**

12 Section 205 of the Energy Independence and Security
 13 Act of 2007 (42 U.S.C. 17021) is amended—

14 (1) in subsection (b)—

15 (A) by redesignating paragraphs (1)
 16 through (3) as subparagraphs (A) through (C),
 17 respectively, and indenting appropriately;

18 (B) in the matter preceding subparagraph
 19 (A) (as so redesignated), by striking “Not later
 20 than” and inserting the following:

21 “(1) IN GENERAL.—Not later than”; and

22 (C) by adding at the end the following:

23 “(2) RENEWABLE DIESEL.—Renewable diesel
 24 or renewable diesel blends that meet ASTM D975

1 diesel specifications shall not require any additional
 2 label.”; and

3 (2) in subsection (c)—

4 (A) by redesignating paragraphs (2) and
 5 (3) as paragraphs (3) and (2), respectively, and
 6 moving the paragraphs so as to appear in nu-
 7 merical order;

8 (B) in paragraph (2) (as so redesign-
 9 nated)—

10 (i) by redesignating subparagraphs
 11 (A) and (B) as clauses (i) and (ii), respec-
 12 tively, and indenting appropriately;

13 (ii) in the matter preceding clause (i)
 14 (as so redesignated), by striking “The
 15 term” and inserting the following:

16 “(A) IN GENERAL.—The term”; and

17 (iii) by adding at the end the fol-
 18 lowing:

19 “(B) EXCLUSION.—The term ‘biodiesel’
 20 does not include renewable diesel that meets or
 21 exceeds ASTM D975 diesel specifications.”;

22 (C) in paragraph (3) (as so redesign-
 23 nated)—

24 (i) by striking “The term” and insert-
 25 ing the following:

1 “(A) IN GENERAL.—The term”; and

2 (ii) by adding at the end the fol-
3 lowing:

4 “(B) EXCLUSION.—The term ‘biomass-
5 based diesel’ does not include renewable diesel
6 that meets or exceeds ASTM D975 diesel speci-
7 fications.”; and

8 (D) by adding at the end the following:

9 “(5) RENEWABLE DIESEL.—The term ‘renew-
10 able diesel’ means diesel produced by refining animal
11 fats, vegetable oils, waste streams from materials
12 from biogenic origin, or renewable biomass (as de-
13 fined in section 211(o)(1) of the Clean Air Act (42
14 U.S.C. 7545(o)(1)), but excluding palm fatty acid
15 distillates and palm oil) in a manner that results in
16 a hydrocarbon oil that—

17 “(A) has a chemical structure similar to
18 diesel; and

19 “(B) meets ASTM D975 diesel specifica-
20 tions.

21 “(6) RENEWABLE DIESEL BLEND.—The term
22 ‘renewable diesel blend’ means a blend that con-
23 tains—

24 “(A) renewable diesel; and

1 “(B) petroleum-based diesel fuel.”.

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