



Pennsylvania In-State Incentive for Biodiesel

The PABPG supports adoption & funding of an in-state incentive for biodiesel.

Components:

- The in-state incentive would be authorized for three years.
- It would be funded at \$1.00/gallon for every gallon of biodiesel produced within the state.
- It would specifically apply at the producer stage (not at crushing or distribution).

Justification:

- Current proposed PA policies focus on a usage mandate requiring large volumes of biodiesel.
- Surrounding states provide aggressive incentives to support competitive in-state producers.
- Currently, 80% of biodiesel sold in Pennsylvania is shipped in from out-of-state producers.
- With feedstock prices rising, that % will continue to increase without an in-state incentive.
- Our goal is to keep the entire process in Pennsylvania – growing, crushing, grease recovery, production, distribution.
- **This incentive allows Pennsylvania to achieve true energy independence.**

Pennsylvania Biodiesel Quality Assurance Standard

The PABPG supports adoption of a Pennsylvania biodiesel quality standard.

Components:

- A qualifying producer must submit a Certificate of Analysis from an accredited laboratory for every 500,000 gallons of biodiesel produced as evidence that the biodiesel product meets the ASTM D 6751 national standard.
- A Certificate of Analysis for reduced specification testing according to Section E.3.e. of the Alternative Fuels Incentive Grant Program must be submitted for each interim 100,000 gallons produced.
- This standard serves a role similar to the *PA Preferred* concept – supporting both in-state production/consumption and the marketing of high-quality products as a differentiator.

Justification:

- Quality assurance is imperative to the continued success of the biodiesel industry.
- Biodiesel fuel must meet ASTM 6751 specifications in order to be marketed as “biodiesel”.
- Other states are creating and marketing quality standards for high-end biodiesel.
- This standard becomes key to approval of producers who can receive the in-state incentive.
- Allows Pennsylvania to achieve and maintain a national leadership position not only in biodiesel production/consumption, but also developing the highest-quality biofuels.

Pennsylvania Biodiesel Producers Group Members

