

Detailed Fact Sheet: EPA’s Final “Set 2” Rule Under the Renewable Fuel Standard (RFS) Program

Action Taken by Trump EPA:

- The “Set 2” final rule establishes the applicable volumes and percentage standards for 2026 and 2027 for cellulosic biofuel, biomass-based diesel (BBD), advanced biofuel, and total renewable fuel, and realigns the program with Congress’ original intent—increasing the use of homegrown American biofuels—putting American farmers first and promoting American energy independence.
- The advanced biofuel volumes, which include biodiesel and renewable diesel, are significant increases over the volumes established in the Biden EPA’s “Set 1” rule. These increases reflect the Trump administration’s commitment to American farmers and growing domestic capacity.
- In 2025, EPA acted on the massive Biden-era backlog of small refinery exemption (SRE) petitions and issued a supplemental proposed rulemaking to account for those decisions. We are addressing the impacts of those decisions **by finalizing a 70 percent partial reallocation of the 2023–2025** exempted volumes into the 2026 and 2027 standards. This approach balances several factors, including protecting biofuel demand while maintaining a stable and functioning credit market.
- This action also makes several regulatory changes to the RFS program, including removing the Obama and Biden administrations’ renewable electricity as a qualifying renewable fuel under the RFS program (eRINs).
 - eRINs were never about helping farmers but rather furthering an out-of-touch political agenda of pushing electric vehicles on every American.
- Additionally, starting in 2028 in “Set 3,” imported feedstock and biofuels will receive half the renewable fuel credit relative to domestically produced biofuels using domestic feedstock.
- EPA is also partially waiving the 2025 cellulosic biofuel volume requirement and revising the associated percentage standard due to a shortfall in cellulosic biofuel production.

2026 and 2027 Renewable Fuel Volume Requirements, SRE Reallocation Volumes, and Total Applicable Volumes (billion RINs)

	Proposed Volume Requirement			Finalized Volume Requirement			SRE Reallocation Volume		Total Applicable Volume	
	2025	2026	2027	2025	2026	2027	2026	2027	2026	2027
Cellulosic biofuel	1.19	1.30	1.36	1.21	1.36	1.43	0	0	1.36	1.43
Biomass-based diesel ¹	N/A	7.12	7.50	N/A	8.86	8.95	0.21	0.25	9.07	9.20
Advanced biofuel	N/A	9.02	9.46	N/A	10.82	10.98	0.28	0.34	11.10	11.32
Total renewable fuel	N/A	24.02	24.46	N/A	25.82	25.98	0.99	1.04	26.81	27.02

¹ Through 2025, the BBD volume requirement was established in physical gallons rather than RINs. In this final rule, we are specifying the BBD volume requirement in RINs, consistent with the other three renewable fuel categories, rather than physical gallons. For the sake of comparison, we converted the BBD volume requirements for 2023–2025 from physical gallons to RINs using the BBD conversion factor of 1.6 RINs per gallon.

Savings and Prosperity for Americans:

- The “Set 2” final rule creates a larger, more stable, and more reliable domestic market for U.S. crops, generating over \$10 billion for rural economies and creating over 100,000 good-paying jobs in the agricultural and manufacturing sectors.
- By expanding the use of American-made ethanol, biodiesel, and renewable diesel, EPA is helping to secure and expand the nation’s energy supply and reduce dependence on foreign oil by roughly 300,000 barrels per day.

Future RFS Rulemakings Impacted by “Set 2”

- In this rule, EPA is not finalizing the proposed provisions to reduce the number of RINs generated for imported biofuels and biofuels produced from imported feedstocks.
- After reviewing market and stakeholder input, EPA has determined that it is appropriate to take additional time to address some of the timing and implementation questions so that the provisions can be most effectively phased in and integrated into the RFS program.
- EPA intends to finalize regulatory provisions that will reduce the number of RINs generated for imported biofuels and biofuels produced from imported feedstocks beginning in 2028 in a future action.

Returning to the Rule of Law

- EPA is restoring the RFS program to its statutory focus on liquid transportation fuels and advancing President Trump’s goal of eliminating electric vehicle mandates by removing renewable electricity or “eRINs” from the RFS program. The word “electricity” is never once mentioned in the RFS Clean Air Act (CAA) language. In stark contrast, liquid or gaseous fuels are mentioned over 50 times.
- Specifically, the “Set 2” rule removes the definition of “renewable electricity” from the RFS program due to eRINs being both unimplementable under the program and not meeting the definition of transportation fuel under the CAA.
- EPA is also removing the related regulations providing electricity as a qualifying pathway under the RFS program.

Program Background

- The RFS program, established by Congress in the Energy Policy Act of 2005 and expanded under the Energy Independence and Security Act of 2007, mandates that transportation fuel sold in the U.S. contains a minimum volume of renewable fuels. Under these statutes, EPA is required to set volume requirements for the RFS program for the years after 2022. The initial “Set 1” rule was issued by EPA in 2023 to establish renewable fuel standards in the U.S. for the years 2023–2025.

**For more information on the Set 2 Rule, please visit
<https://www.epa.gov/renewable-fuel-standard-program>**