



Ethanol

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Archer Daniels Midland Company (ADM) is committed to the successful development of renewable fuels. As a global leader in the production and distribution of biodiesel and fuel ethanol, ADM is also deeply involved in the development of future generations of renewable fuels.

ADM feels that for renewable fuels to be accepted in the consumer marketplace, consumers must be confident that they will receive the performance and quality they expect. It is this concern for the consumer that guides our comments on the Federal Trade Commission's (FTC) "Proposed Rule for Biodiesel Labeling, Matter No. R811005". ADM agrees with Sec 205(a) that the FTC should determine that the diesel fuel pump label that informs the consumer. We also feel it is important that the label not mislead the consumer, and will address two items that could have that unintended result.

Identification of the Renewable Component

Section 205 of the Energy Security and Independence Act of 2007 deals with retail pump labeling of Biodiesel/petroleum diesel blends. Sec 205(c) contains the definitions for the section. Subsection (c)(2) states "biomass-based diesel means **Biodiesel** as defined in 42 USC 13220(f)." This code reference points to the Environmental Protection Agency (EPA) registration requirements for fuels and fuel additives. In the EPA regulations we find (40 CFR 79.56(e)(4)(ii)(B)(2)) "mixed alkyl esters of plant or animal origin (biodiesel)". Other information from the EPA clearly shows that they define Biodiesel as the monoalkyl ester of plant or animal fatty acids.

Subsection (c)(3) states, "Biodiesel means the monoalkyl ester of long chain fatty acids derived from plant or animal matter" that also meet the EPA fuel/fuel additive requirements and the requirements of ASTM D6751. The definition portion of section 205 shows that biomass-based diesel and Biodiesel mean the same thing.

Biodiesel is an EPA-registered fuel/fuel additive. The National Council of Weights and Measures (NCWM) defines biodiesel similar to subsection (c)(3). The original equipment manufacturers (OEM) have conducted extensive research with Biodiesel blends and many have extended warranty coverage of Biodiesel blends whose Biodiesel portion meets ASTM D6751.

ADM feels adding the wording "biomass-based diesel" to the pump label will only lead to confusion in the consumer marketplace. Biodiesel is an EPA-registered fuel that has a well known and accepted performance specification in ASTM D6751. Other biomass-based diesel components are currently being developed but none of them are EPA-registered or are included in the warranty statements of the OEMs. Section 205 was clearly meant to provide the consumer assurance that a diesel fuel containing a renewable component would meet their expectations. Currently only Biodiesel blends provide that assurance, so the pump labels should only include Biodiesel. As biomass-based diesel

components other than Biodiesel are developed and brought into the marketplace, they should have distinctive labeling clearly identifying the renewable component in terms that are unique and measurable. Until such time as the components are registered with the EPA, have a robust national performance specification, have gained the involvement and acceptance of the OEMs and provide finished fuel performance that is indistinguishable, they should not be grouped with Biodiesel.

Identification of the Level of Renewable Component

Section 205 identifies different labeling based on the level of the renewable component. The biodiesel industry identifies biodiesel blends as BXX, where the XX represents the Biodiesel concentration in whole integers. Language identifying one blend as up to 5% and another as greater than 5% could be misleading.

We would agree with the current proposal that “blends that contain less than or equal to 5 percent...and that meet ASTM D975 diesel specifications shall not require any additional labels.”

For blends greater than 5 percent, the preferred approach would be to identify the middle set as blends that contain 6 to 20 percent biodiesel. This would allow any regulatory agency with fuel quality oversight responsibility the opportunity to test these fuels against the specifications currently being developed under ASTM.

For those blends with greater than 20 percent, we believe that the consumer should actually be aware of the actual percentage. Labels with the actual percentage (+/- the precision of measurement) would assure consumers that the fuel they are purchasing meets their needs.

These changes would also align with the initiatives underway by NCWM, several state agencies, and the overall fuel industry.

Physical Labels

The proposed rule identifies purple as the label's required background color. Several states have designed, and are prepared to require, their own labels. These states are developing labels with a blue background (different from gasoline, E-85, and diesel). We support the efforts of these organizations that recommend the use of a blue background in the pump label.

We thank you for the opportunity to comment on the proposed rule. If there are any questions concerning these comments, please do not hesitate to contact me at corr@admmworld.com or by phone 563-244-5208.