

The Digest’s 2026 Multi-Slide Guide to Northeast Renewable Diesel and RNG Cluster

New York and Rhode Island are mandating ever-higher biofuel blends in heating oil. The region makes no renewable diesel. Who captures the value its policies create?

MANDATES: HIGHER BLENDS IN HEATING OIL

B20 / B50

MANDATES

New York

B10 from July 2025
B20 from July 2030

Rhode Island

B20 by July 2025
B50 by 2030

Legal requirements, not measured consumption.

RENEWABLE DIESEL CAPACITY IN PADD 1

0

RENEWABLE DIESEL CAPACITY

PADD 1 (East Coast) has 9 biodiesel plants with 128 million gal/yr of capacity — the smallest of any US refining district.

KEY EVIDENCE

- 1

No regional production base

PADD 1 has no renewable diesel production capacity. 9 biodiesel plants, 128 million gal/yr (smallest of any district).
US EIA renewable diesel and biodiesel capacity reports, 1 January 2025.
- 2

Mandated demand

NY: B10 (July 2025), B20 (July 2030). RI: B20 (July 2025), B50 (2030).
New York and Rhode Island statutes.

These are legal requirements, not measured consumption; Connecticut’s schedule is not shown because it could not be verified.

!

CAVEAT

This is an agency estimate of the ban’s effect, not RNG production volume.
Massachusetts Department of Environmental Protection.



THE GUIDE ANSWERS

Does mandated regional demand pull production into the Northeast, or does the value continue to flow to producers elsewhere?

Cluster or basin? Two different things

Production cluster

REFINERIES + FEEDSTOCK + LOGISTICS + CREWS, CO-LOCATED

A production cluster brings together the assets, inputs and workforce needed to make renewable diesel and RNG — refineries, feedstock, logistics and crews — in the same region.



REFINERIES

Conversion and processing assets

+



FEEDSTOCK

Used oils, fats, ag fats, waste

+



LOGISTICS

Transport and storage

+



CREWS

Operations, maintenance, turnaround



THE RESULT

A production cluster can supply regional and wider markets because the pieces are already in place.

Demand basin

POLICY-CREATED DEMAND WITHOUT LOCAL PRODUCTION

A demand basin has policy-driven requirements for biofuels (e.g., higher blends in heating oil, organics-disposal bans) without local renewable diesel or RNG production.



STATE POLICIES

- Higher biofuel blends in heating oil
- Organics-disposal bans



NO LOCAL PRODUCTION

No renewable diesel and no meaningful biodiesel base



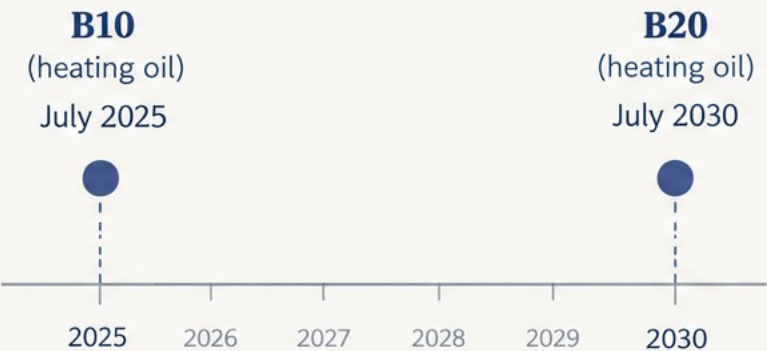
THE NORTHEAST IS A DEMAND BASIN

State laws **require** rising biofuel blends in heating oil, and organics-disposal bans divert food waste toward digestion — but the region has no renewable diesel production and the smallest biodiesel base of any US refining district.

The mandates: a legal demand schedule rising to 2030

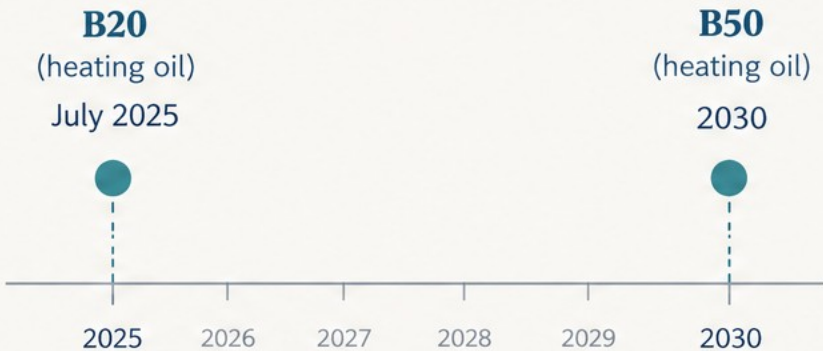
New York

B10 from July 2025; B20 from July 2030
(ECL §19-0327)



Rhode Island

B20 by July 2025; B50 by 2030,
met with biodiesel and/or renewable
hydrocarbon diesel (§23-23.7-4)



These are legal requirements, not measured consumption.



Connecticut's schedule not shown: could not be verified.

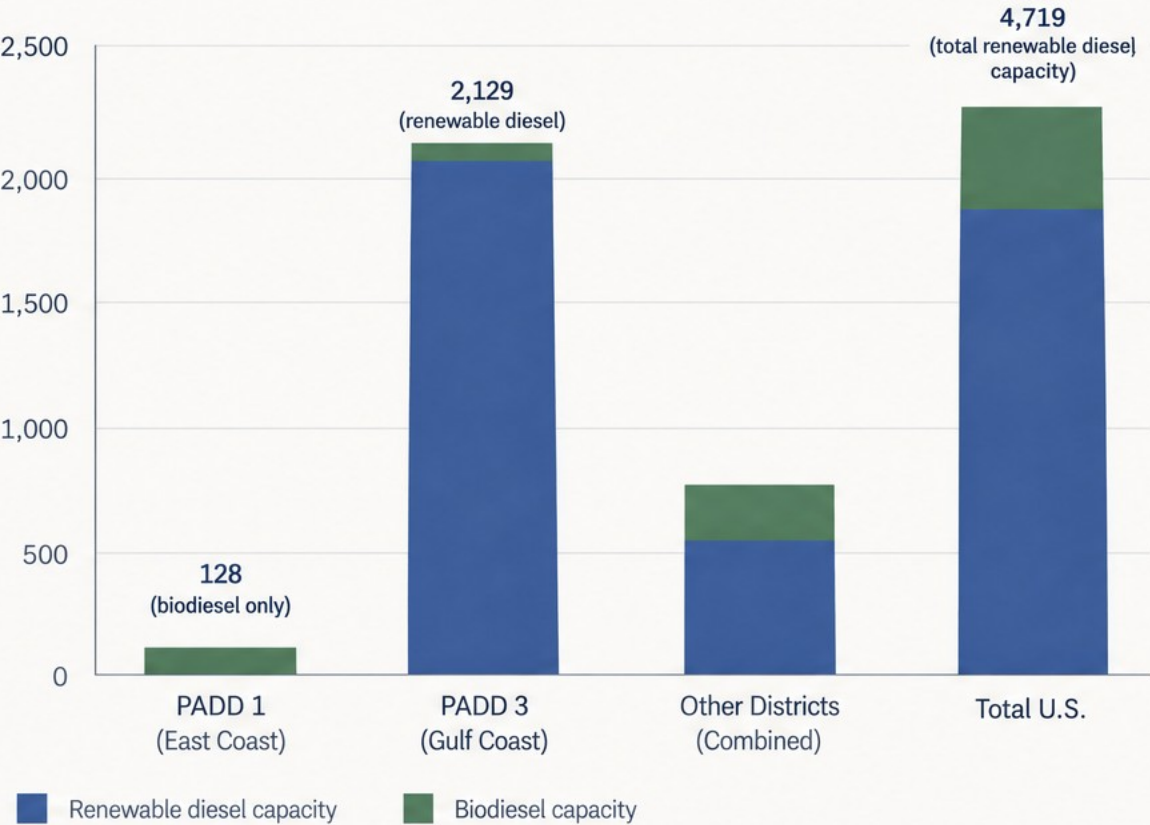


Note: These are legal requirements, not measured consumption; Connecticut's schedule is not shown because it could not be verified.

The production map: PADD 1 has no renewable diesel capacity

Renewable diesel and biodiesel capacity by US district

Million gallons per year (MM gal/yr)



PADD 1 (East Coast)

- 0 renewable diesel capacity
- 9 biodiesel plants
- 128 million gal/yr capacity

Smallest of any US refining district.

Gulf Coast (PADD 3)

45.1%

of U.S. renewable diesel capacity
2,129 of 4,719 million gal/yr
(January 2025).

Note

The production map shows capacity by district, not actual flows of renewable diesel or biodiesel into any region.

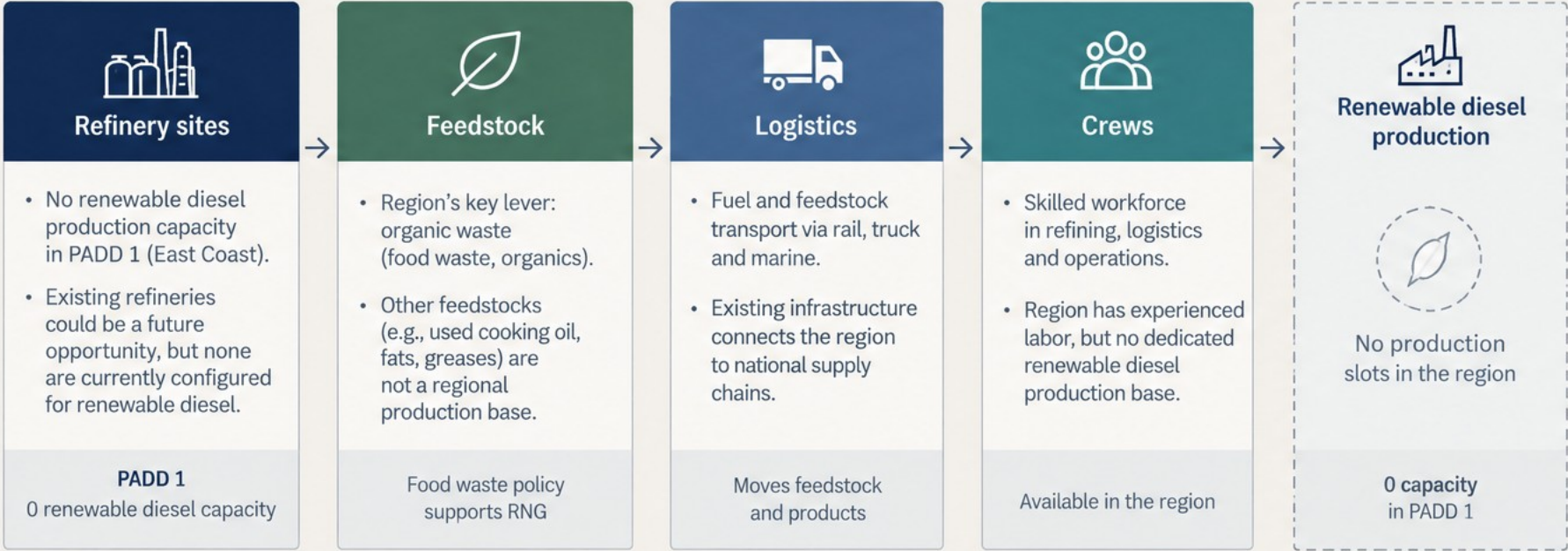
Key takeaways

- PADD 1 has no renewable diesel capacity.**
The East Coast (PADD 1) has zero renewable diesel production capacity and only 9 biodiesel plants with 128 million gallons per year of capacity — the smallest of any US district.
- Gulf Coast holds 45.1% of U.S. renewable diesel capacity.**
The Gulf Coast (PADD 3) accounts for 2,129 of 4,719 million gal/yr of renewable diesel capacity (January 2025).
- The Northeast's production base is the smallest.**
PADD 1's 9 biodiesel plants and 128 million gal/yr capacity are the smallest of any district.

Nothing to inherit: the production slots are empty

Cluster anatomy

The Northeast has the ingredients for a biofuels cluster — except for renewable diesel production.



The Northeast has the pieces — but no production.



Biodiesel base (small)

9 plants

128 million gal/yr (smallest of any US refining district)

The bigger picture

Mandated demand (NY & RI)

B10 → B20

NY (Jul 2025 → 2030)

B20 → B50

RI (Jul 2025 → 2030)

No regional production base

0 renewable diesel capacity in PADD 1 (East Coast)

9 biodiesel plants
128 million gal/yr
(smallest of any US refining district)

Note

The blendstock required by these mandates is made elsewhere — in clusters that already have refineries, feedstock and logistics.

US EIA renewable diesel and biodiesel capacity reports, 1 January 2025.

The waste stream: organics policy is the region's one feedstock lever



POLICY INSIGHT

Policy steers feedstock without building production by itself.

The Massachusetts disposal ban shifts organics into the RNG pathway, but it does not create RNG facilities. It provides the feedstock lever, not the production infrastructure.

! NOTE

Massachusetts' commercial food-waste disposal ban is credited by the state environmental agency with about \$390 million of economic activity and about 1,700 jobs. This is an agency estimate of the ban's effect, not RNG production volume.

What the ban did: a measured policy effect, not RNG output



ECONOMIC ACTIVITY

About
\$390 million
of economic activity

Credited by the state environmental agency
to the commercial food-waste disposal ban.



JOBS

About
1,700
jobs



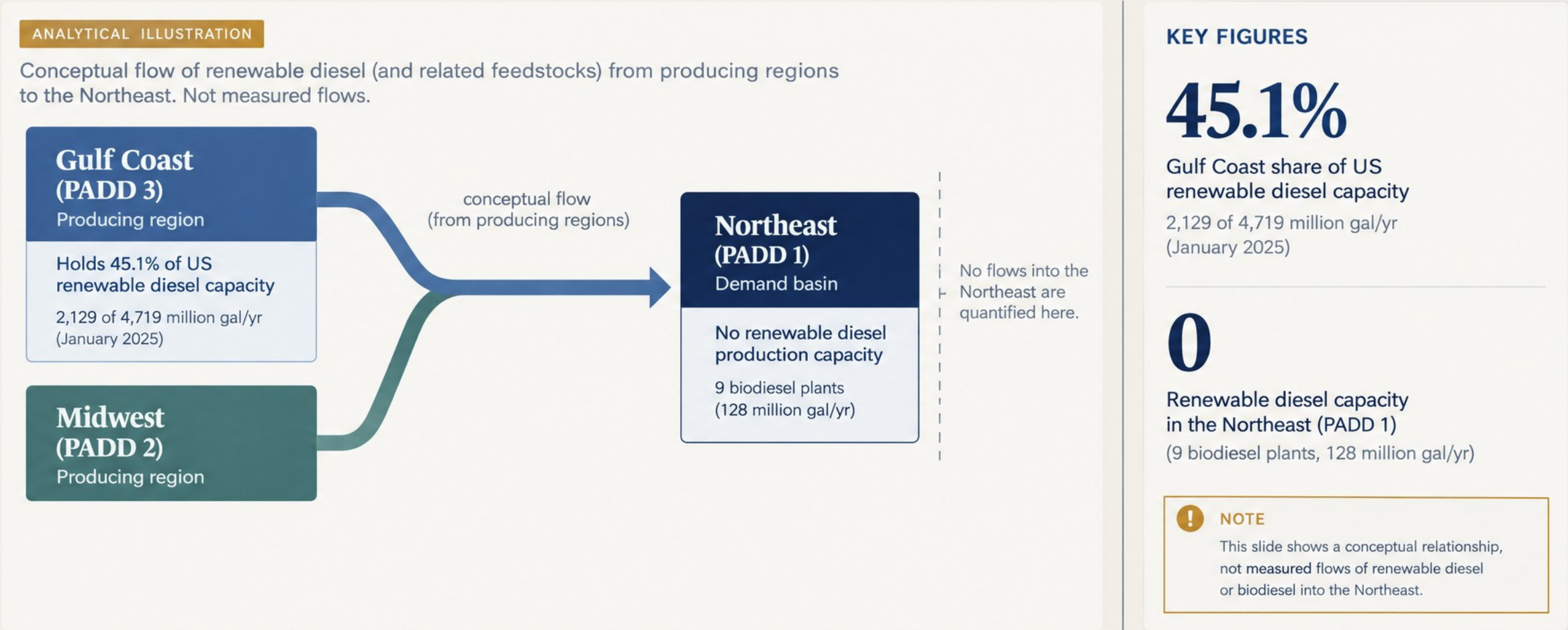
IMPORTANT CONTEXT

These figures are an agency
estimate of the ban's effect,
not RNG production volume.

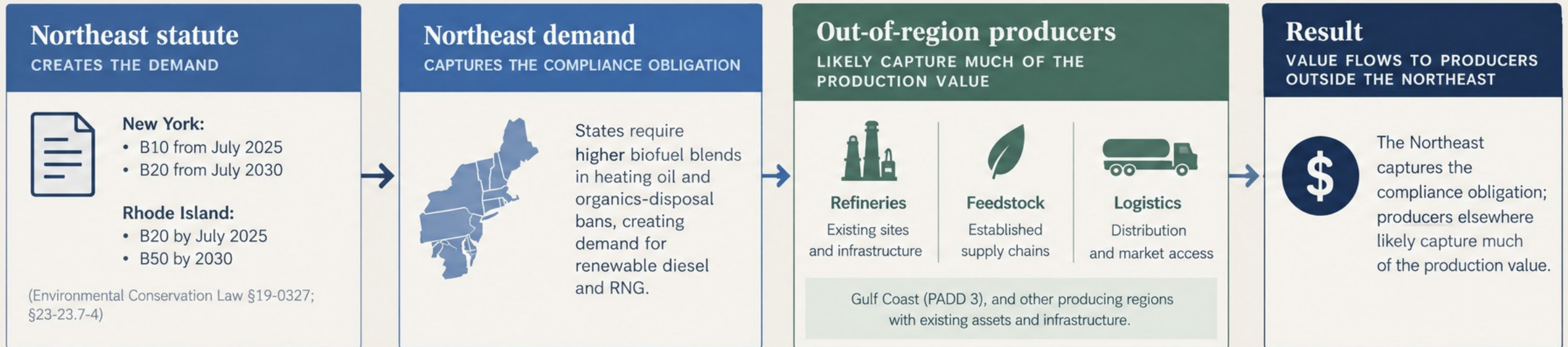


The Massachusetts Department
of Environmental Protection
credited by the state environmental
agency to the commercial food-waste
disposal ban.

Where the gallons are made: supply sits in established clusters



Who captures the value: mandates pay out where plants already exist



Key evidence

- PADD 1 (East Coast) has no renewable diesel production capacity. 9 biodiesel plants with 128 million gal/yr — the smallest of any US refining district. (US EIA)
- NY and RI mandate higher blends (see above). (*State statutes*)
- Massachusetts food-waste ban: ~\$390M economic activity and ~1,700 jobs (agency estimate). (Massachusetts DEP)
- Gulf Coast: 45.1% of US renewable diesel capacity (2,129 of 4,719 million gal/yr). California consumed >8x its production in 2021; conversions raised capacity to 1,684 million gal/yr by Jan 2025. (US EIA; company reports)

Key cases

- **Northeast (primary):** Policy can concentrate demand without concentrating production. No named projects; no future shortfalls.
- **California (comparator):** Demand basin can become a producer with convertible refinery sites.
- **Gulf Coast (contrast):** Producing cluster where much of the value is likely captured. No measured flows to the Northeast.

Analytical illustration

Gulf as contrast case: demonstrates likely capture; does not demonstrate measured flows.

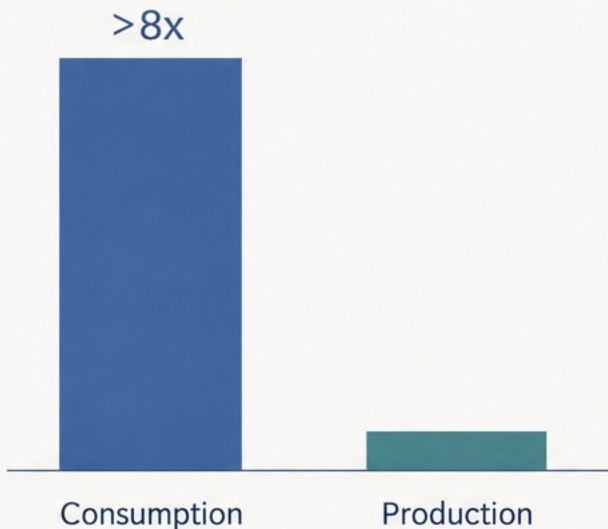
How California changed: a basin that became a producer

2021: More than eight times

California consumed more than eight times the renewable diesel it produced.

>8x

CONSUMPTION
TO PRODUCTION
(2021)



By January 2025

Conversions lifted capacity to 1,684 million gal/yr.

1,684

MILLION GAL/YR
RENEWABLE DIESEL CAPACITY
(JANUARY 2025)

CONVERSIONS



Phillips 66 Rodeo



Marathon/Neste Martinez

KEY ENABLER



Relied on existing
refineries

Note: California's conversions relied on existing refineries, not new greenfield assets.

Why the route is harder here:

California had convertible assets

CAPACITY & ASSETS	 CALIFORNIA (PADD 5)	 NORTHEAST (PADD 1)
 Renewable diesel capacity (million gal/yr)	1,684 million gal/yr (California, January 2025)	None (PADD 1)
 Biodiesel (number of plants / million gal/yr)	— (not specified for California)	9 plants 128 million gal/yr (smallest of any US district)
 Convertible refineries (status)	Yes Relied on existing refineries.	No Lacks comparable convertible assets.



Note

California’s capacity is as of January 2025. This slide does not demonstrate that the Northeast can follow.

The single-mechanism risk: demand rests on statute

-  **Demand depends on state law**
New York ECL §19-0327, Rhode Island §23-23.7-4.
-  **Legal requirements, not measured consumption**
The mandates set blend levels and dates; they are not tied to actual fuel use.
-  **A project exposed to one statute inherits its policy risk**
If a project relies on a single state law, it carries the policy risk of that statute.
-  **No New York Clean Fuel Standard is assumed**
This guide does not assume a New York Clean Fuel Standard or any other additional program beyond the statutes cited.



Key Risk



Demand is tied to state legislation, not market fundamentals.



Changes to either statute — or the absence of additional programs — could reduce or eliminate demand.



A project exposed to one statute inherits the policy risk of that law.

Note

These are legal requirements, not measured consumption; Connecticut's schedule is not shown because it could not be verified.

Who can act: legislatures and environmental agencies are the levers



State legislatures set blend mandates (NY, RI)

New York

B10 from July 2025
B20 from July 2030

(Environmental Conservation Law §19-0327)

Rhode Island

B20 by July 2025
B50 by 2030

(§23-23.7-4, met with biodiesel and/or
renewable hydrocarbon diesel)

i These are legal requirements, not measured consumption. Connecticut's schedule is not shown because it could not be verified.



State environmental agencies administer organics bans (e.g. Massachusetts DEP)

Massachusetts

Commercial food-waste disposal ban credited with about \$390 million in economic activity and about 1,700 jobs.

(Massachusetts Department of Environmental Protection)

i An agency estimate of the ban's effect, not RNG production volume.



Developers, lenders, infrastructure providers and economic-development organizations respond to these signals



Developers

evaluate projects and site opportunities



Lenders

assess policy certainty and project economics



Infrastructure providers

plan for feedstock, logistics and offtake



Economic-development organizations

support investment, jobs and regional opportunities

Decision test: five questions before backing a Northeast plant

1

Would a Northeast plant have any delivered-cost or credit advantage over supply from the Gulf or Midwest?



- Compare delivered costs (feedstock, logistics, energy, carbon, credits).
- Consider the value of available incentives and credits in each region.

2

What would it inherit here — sites, feedstock, logistics, crews?



- Are there suitable sites and infrastructure?
- Is there a consistent feedstock supply?
- Can logistics and workforce be assembled?

3

Which share of mandate value would it capture versus out-of-region producers?



- What portion of the value stays in the region?
- How much is likely captured by existing producers and refineries elsewhere?

4

How exposed is the project to a single state statute?



- How dependent is the project on one state's law?
- What is the risk if the statute changes, is delayed or is not extended?

5

Is there a convertible industrial asset that changes the answer?



- Are there existing refineries or other assets that can be converted?
- Would conversion economics and timing be feasible?



KEY TAKEAWAY

Demand alone has not pulled production into the Northeast.