

2025 Clean Fuels Forecast Review

Introduction

In Fall 2024, the Office of Economic Analysis released its Clean Fuels Forecast for the 2025 compliance period. The forecast projected the volumes of fossil and alternative fuels reported to the Clean Fuels program at the Department of Environmental Quality, as well as the associated deficits and credits. This briefing paper assesses the performance of that forecast.

Reported Volumes

Table 1 presents both the projected and actual volumes¹ of fuels reported to the Clean Fuels program.

Table 1			
2025 Clean Fuels Forecast Review			
(Mil. gallons, percent)	Actual Reported	Forecast	Difference
Conventional Gasoline	1,350.4	1,333.8	16.6
Ethanol	146.9	151.5	-4.6
<i>Ethanol Blend Rate</i>	<i>9.81%</i>	<i>10.20%</i>	
Blendstock	1,497.3	1,485.3	12.0
Fossil Diesel	605.3	514.7	90.5
Biodiesel	61.4	83.8	-22.4
<i>Biodiesel Blend Rate</i>	<i>8.0%</i>	<i>10.5%</i>	
Renewable Diesel	101.2	199.5	-98.3
<i>Renew diesel Blend Rate</i>	<i>13.2%</i>	<i>25.0%</i>	
Total Diesel	767.9	798.0	-30.1
Electricity (on-road)	14.1	16.0	-1.8
Electricity (off-road)	4.4	9.6	-5.2
Fossil Natural Gas	0.0	0.0	0.0
Biogas	4.0	4.4	-0.5
<i>Biogas Blend Rate</i>	<i>99.6%</i>	<i>99.0%</i>	
Total Natural Gas	4.0	4.5	-0.5
Liquified Petroleum Gas	2.1	4.4	-2.3

¹ Actuals are as of September, 2026. Subsequent data releases can change historical actuals, however, this report will not be updated.

The amount of conventional gasoline blendstock reported to the program was slightly more than expected, but ethanol was slightly less.

Total diesel, including the blending of biofuel alternatives, fell slightly short of the forecast. This was driven by renewable diesel, which was reported at just over half the forecasted figure.

The forecast for the volume of reported on-road electricity was close to the forecast amount, while expected off-road electricity failed to materialize in full.

While the forecast for blending of biogas exceeded expectations slightly, reporting for natural gas overall fell slightly short of projections. Finally, the forecast for liquid petroleum gas (propane) was more than twice the reported amount.

Credits and Deficits

Table 2 presents a comparison of the forecast for credits and deficits to the actual values.

2025 Credits and Deficits Forecast Review			
	Actual	Forecast	Difference
Gasoline	-1,983,406	-1,942,369	-41,037
Diesel	-982,684	-821,650	-161,034
Fossil Deficit Total	-2,966,090	-2,764,019	-202,071
Ethanol	507,264	472,336	34,928
Biodiesel	324,027	484,791	-160,765
Renewable Diesel	764,643	1,289,943	-525,299
Electricity, on-road	521,736	586,421	-64,685
Electricity, off-road	90,337	222,141	-131,804
Natural Gas	134,383	47,822	86,561
Propane	2,595	17,083	-14,488
Alternative Credit Total	2,628,661	3,120,537	-491,876
Net Credits	-621,105	356,518	-977,623

The majority of the deviation in net credits resulted from significant departures from the assumptions regarding the volume of renewable diesel, which was likely driven by a low credit price. Gasoline and diesel were both above forecast. Off-road electricity, on-road electricity,

and biodiesel all fell short of projections. Propane fell short of projections, but natural gas came in strong.

Carbon Intensities

Table 3 presents the forecast assumptions, as well as the actual weight-average values, for the carbon intensities for the three major biofuels. Ethanol and renewable diesel fell short of their assumed values, while biodiesel came in higher than expected.

Table 3

2025 Carbon Intensity Review			
	Actual	Forecast	Difference
Ethanol	46.1	50.0	-3.9
Biodiesel	47.5	43.0	4.5
Renewable Diesel	31.1	39.0	-7.9