



STATEMENT BY THE FUELING AMERICAN JOBS COALITION: NO SUCH THING AS A HOLD ON SRES

November 28, 2018—*The Fueling American Jobs Coalition released the following statement regarding a Reuters story published this morning entitled, “Exclusive: EPA refinery biofuel waiver program on hold pending review – sources”:*

A report this morning in Reuters attributes to unnamed sources at the US Environmental Protection Agency (EPA) the notion that small refiners exemptions (SREs) are on hold pending methodological review. As is often the case with interviews based on unnamed sources, the report is clearly in error, as it is inconsistent with the unambiguous reading of the Clean Air Act and applicable case law. Sometimes the nuances of the law can be lost in the rush to publish.

First, small refiner exemptions under the Renewable Fuel Standard are in the nature of emergency action designed to stave off the impacts of inequitable treatment arising from the program’s implementation. Since each SRE is an individual consideration of conditions, any uniform delay or freeze would be plainly illegal. Multiple courts have ruled that even attempts by EPA to insert too high a bar to granting SREs is not consistent with the underlying law and policy of the Clean Air Act.

Second, on the merits, the case for SREs and other sources of waiver authority under RFS continues to be a strong one. On November 2, 2018, Governor Tom Wolf of Pennsylvania [wrote EPA](#) requesting that “you exercise the waiver authority granted to you in the Clean Air Act to avoid the severe economic harm that implementation of the proposed 2019 standard will have on the economy of my state and the region.” The Governor cited a recent [report](#) from Dr. Craig Pirrong of the Bauer College of Business at the University of Houston, which finds that, “since 2009, seven East Coast refineries have closed and production capacity has declined by roughly a third. Compliance with the increasingly costly RFS standard, which constitutes one of their most significant operating expenses, has been a major cause of the decline.”

And last, Congressional oversight of EPA would seem to challenge any such blanket actions to reduce SREs. Earlier this year, Senate Environment and Public Works (EPW) Committee Chairman John Barrasso (R-WY) and Sen. Shelly Moore Capito (R-WV) [wrote](#) EPA affirming their “strong support” for “providing, as Congress intended, relief to small refineries suffering hardship” under the RFS. They noted that they were “deeply troubled by the recent attacks on hardship relief for small refineries” and were opposed to any reallocation of SRE volumes back to refineries that do not qualify for relief of this nature. EPW is the Committee of substantive jurisdiction covering all matters related to EPA.

In short, we attribute this recent report on SRE status to a misunderstanding of the law and policy objectives served by the program. There is no such thing as a hold on SREs.

The Fueling American Jobs Coalition is a coalition of union workers, mom & pop gas station owners, small retailers, and independent American oil refiners fighting for a common sense fix to the Environmental Protection Agency's (EPA's) flawed Renewable Fuel Standard (RFS). The need for significant reform has only grown over the last year as the cost of purchasing Renewable Identification Numbers (RINs) to comply with the RFS has skyrocketed, threatening some refiners' survival. For additional information, visit www.fuelinjobs.com.