



STATEMENT BY THE FUELING AMERICAN JOBS COALITION

November 30, 2018—*The Fueling American Jobs Coalition released the following statement regarding the Environmental Protection Agency's (EPA) announcement of the 2019 renewable volume obligations (RVOs):*

In keeping with annual ritual, EPA has once again released RVO guidelines for the coming year that artificially elevate the requirement for ethanol in motor fuels far above true market demand. Playing out the second part of the ritual, the very same renewable fuels players whose businesses are propped up by a government mandate complain that the requirements should be even higher.

The calls for ever higher RVOs mistakenly assume that demand for ethanol has declined. However, pro-ethanol experts and earnings-call statements alike concede that legally required efforts to address harms to small refiners have had no adverse effect on ethanol production, sales or demand. Meanwhile, renewable identification number (RINs) prices crept up this week, reaffirming how skittish that market remains.

Just before the mid-term elections, Pennsylvania Governor Tom Wolf petitioned EPA "...to reduce the nationwide renewable fuel volume mandate in order to address the economic difficulties faced by refiners in Pennsylvania and elsewhere in complying with this mandate."

The reasoning behind his action is clear: the implementation of the renewable fuel standard (RFS) is deeply flawed, needlessly penalizing independent refiners, small gasoline retailers and others. This basic problem is acknowledged by most everyone who does not profit directly from the RFS. Congress and EPA should subject the program to wholesale repair.

In the meantime, we urge EPA to focus on addressing needed market reforms to help eliminate the fraud and potential for price spikes surrounding the trade in RINs. EPA should clean up the RINs market with sensible reforms such as position limits for RINs, as well as regulations to address eligibility to participate in the RINs trade and add greater transparency to this dark market.

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.fuelingusjobs.com.