



Testimony of

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**EPA Public Hearing for the Proposed
2018 Renewable Fuel Standards
Docket ID: EPA-HQ-OAR-2017-0091**

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Good morning:

My name is Roy Houseman; I am a legislative representative for United Steelworkers, the largest manufacturing union in North America. Our union thanks you for the opportunity to testify today.

The USW represents workers at over seventy-five refining locations in the United States from large integrated refining operations to small independents. As the largest union in the refining sector, the USW has an important voice in the conversation regarding the Renewable Fuel Standard (RFS), which directly impacts our members and their employers.

In finding a balance between jobs, a clean environment and ensuring long term sustainable policy, our union believes the EPA must address critical RFS reforms with the authority it has in statute.

Our union believes the proposed 2018 RVO falls short of the necessary equilibrium as EPA seeks to mandate volumes of biofuel above and beyond the E10 blendwall without considering other administrative changes to the program. Specifically, EPA should seek changes that can enable greater penetration of biofuels and also protect high-wage jobs at refineries across this country.

When EPA promulgated the rules for the RFS it had a choice of which businesses would be responsible for making sure the mandated amounts of biofuel were included in the US Gasoline and Diesel supply. At that time the agency designated refiners and importers as obligated parties regardless of their ability to physically blend, or influence the blending of biofuel.

This remains a key structural weakness in the RFS program. Some USW represented employers have reduced capital investment and have reduced workforce related to significant RFS costs. Unfortunately, proving our union correct in comments filed with the EPA on the 2014 RVO. Those comments urged the EPA to adjust RVO levels to better reflect actual fuel consumption patterns and highlighted obligated parties could face significant economic hardship.

By requiring a significant number of refiners to verify blending they have no control over, EPA jeopardizes the careers and livelihoods of thousands of USW workers. Jobs in USW-represented refineries are safe, well compensated positions and at the core of the manufacturing renaissance seen in the past few years. EPA can take action with this rulemaking to strengthen the workforce and preserve careers at refineries across the country by moving the point of obligation.

USW calls on EPA to move the point of obligation and make the RFS work better for all parties involved – especially the USW members whose jobs are potentially at risk because of EPA's proposed rule.

We believe moving the point of obligation to terminal rack sellers would translate into a similar number of obligated parties as EPA currently administers.

Making this change will have a dramatic impact on the lives of thousands of USW workers – please give consideration to this fact as you review comments for this rulemaking.

Again, thank you for the opportunity to testify here today.