



Fourth Circuit Court of Appeals Tells EPA That Denying a Small Refiner Exemption Is Arbitrary
Rejects Generic RINs Pass-through Argument

July 20, 2018- *The Fueling American Jobs Coalition issued the following statement in regard to the Fourth Circuit Court of Appeals decision: :*

The US Court of Appeals for the Fourth Circuit just handed down an important decision in *Ergon-WV v EPA* arguing that the EPA's denial of a small-refiner exemption (SRE) under the federal renewable fuel standard (RFS) was arbitrary and capricious. In short, the Court agreed with Ergon that the application of the Department of Energy's (DOE) matrix constituted an "error-riddled analysis" of Ergon's petition.

The Court noted that DOE's failure to score certain factors were arbitrary and capricious. Most importantly, the Court held that EPA's failure to consider the adverse impacts of high renewable identification number (RINs) prices by simply reiterating the view of one of its staffers that RINs prices were passed through to consumers was insufficient and flawed.

The Court said that each refinery faces specific circumstances with respect to their markets that can constrain pass-through of RINs costs and any EPA generic assertion to the contrary was an insufficient basis upon which to deny an SRE. The Court took note that "the dramatic rise in RIN prices has amplified RFS compliance and competitive disparities, especially where unique regional factors exist, including high diesel demand, no export access, and limited biodiesel infrastructure and production."

For more, see Ergon press statement here

<https://www.businesswire.com/news/home/20180720005303/en/>

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.fuelinqsjobs.com.