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Newton B. Jones Boilermakers

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> James P. Hoffa Teamsters

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> James T. Callahan Operating Engineers

Joseph Sellers, Jr. SMART

Lonnie R. Stephenson

Eric M. Dean Ironworkers

Daniel E. Stepano Plasterers' and Cement Masons'

Mark McManus

Timothy J. Driscoll BAC

Gregory T. Revard Insulators June 2, 2021

The Honorable Joseph R. Biden President of the United States The White House 1600 Pennsylvania Ave, NW Washington, DC 20500

Dear President Biden:

On behalf of the more than 3 million skilled craft professionals that comprise the 14 affiliates of North America's Building Trades Unions (NABTU), we are writing today because there is a dire need for the Environmental Protection Agency (EPA) to partially waive the federal Renewable Fuel Standard (RFS) volume mandate. This action is urgently needed to reduce the skyrocketing cost of RINs and preserve American union jobs.

Coupled with the historic drop-off in fuel demand due to COVID-19, eight refineries responsible for tens of thousands of jobs and nearly a million barrels per day of refining capacity have permanently closed or announced closure. As refiners struggled to stay afloat among slumping demand and massive financial losses because of the pandemic, RIN prices skyrocketed – climbing from under ten cents per RIN gallon at one point last year to over one dollar and eighty cents recently – a greater than 1700% increase.

As you know, the domestic merchant refining industry provides union construction workers with thousands of steady high-paying jobs. When refineries invest in new capital or major maintenance projects, they typically employ thousands of additional skilled craft workers. However, wildly volatile and excessive RIN prices have curtailed many of these multi-million dollar projects, The current run up in RIN prices is once again putting domestically-produced fuel supplies at serious risk, as well as the hundreds of thousands of jobs and families they support.

The previous Administration set last year's volume obligation (RVO) well above the amount of biofuels that could possibly be blended into the fuel supply. Specifically, per the Department of Energy, because of the lower demand for transportation fuels and actions taken by the previous Administration, the amount of RINs generated was 800 million gallons short of the RVO requirement creating a wild and unprecedented run-up in RINs prices. It is important to note that runaway RIN prices did nothing to increase the percentage of biofuels blended into the nation's fuel supply, which the U.S. Energy Information Administration notes remained relatively unchanged in 2020 from 2019 levels.

If RIN costs do not subside substantially soon, there is the very real possibility that another million barrels per day of refining capacity will be permanently closed. This is concerning at any time, but it's even more so now as we continue to claw our way back from the depths of the pandemic. Our country's demand for gasoline, diesel, and jet fuel continues to grow, and it's needed to propel our economy through the recovery and beyond.



If domestic refining capacity continues to decrease because of facility closures while the need for transportation fuels remains, the demand will have to be met with fuel imports from overseas that is produced at refineries not adhering to the United States' rigorous environmental standards. The expansion and construction of export refineries in China, India, and the Middle East continues today and these countries will happily displace U.S. refineries and our jobs, certainly a national security concern. Given these realities, it is imperative to take action now to ensure domestic fuel supplies and union jobs are not put at continued risk.

Last year, Pennsylvania Governor Wolf joined a bipartisan group of governors, city mayors and the National Wildlife Federation in petitioning the Agency to waive the RFS requirements down to levels reflecting the amount of ethanol that can actually be blended into the fuel supply given engine and infrastructure limitations. That request is more pressing than ever today.

I write today urging immediate action to prevent RIN prices from becoming the straw that breaks the back of independent American refiners in crisis. We urge you to grant the governors' immediate waiver requests and set reasonable RFS standards moving forward to protect the union jobs and American families that you have continuously fought for throughout your career.

Sincerely,

Sean McGarvey, President

North America's Building Trades Unions

Mal Mc Mans

Eric M. Dean, General President

James T. Callahan, General President

International Union of Operating Engineers

International Association of Bridge, Structural,

Ornamental and Reinforcing Iron Workers

Mark McManus, General President United Association of Journeymen and Apprentices of the Plumbing, Pipefitting Industry of the United States and Canada

Newton B. Jones, International President International Brotherhood of Boilermakers,

Iron Ship Builders, Blacksmiths, Forgers and Helpers

Lonnie Stephenson, International President International Brotherhood of Electrical Workers

Terry O'Sullivan, General President

Laborers' International Union of North America

CC: Michael Regan, Administrator U.S. Environmental Protection Agency

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Marty Walsh, Secretary of Labor

Governor John Carney, Delaware

Governor Tom Wolf, Pennsylvania

Governor Phil Murphy, New Jersey

Ron Klain, White House Chief of Staff

Steve Richetti, Counselor to the President

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Seth Harris, Senior Advisor Labor Policy

Cedric Richmond, Senior Advisor and Director of Public Engagement

Gina McCarthy, National Climate Advisor

Brian Deese, Director, National Economic Council

Dan Utech, Chief of Staff, EPA

Congressional Delegations of Delaware,

Pennsylvania, New Jersey

