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August 7, 2025

Mr. Lee Zeldin, Administrator U.S. Environmental Protection Agency Office of Administrator 1101A 1200 Pennsylvania Ave., N.W. Washington, DC 20460

RE: Comments on EPA Docket ID: EPA-HQ-OAR-2024-0505

Dear Administrator Zeldin:

I would like to add my voice to the long list of elected officials who are deeply concerned about the need for meaningful reform to the federal Renewable Fuel Standard ("RFS"). This matter has reached a critical point in recent years, and I implore you to act before it's too late for the few remaining refiners in our region, including PBF Energy in South Jersey and Monroe Energy in Southeastern Pennsylvania.

The RFS was a well-intended program when it was established, but the reality is that it isn't working as Congress envisioned, and as a result, our region's last few independent refiners have suffered economic hardship year after year. The blending requirement has been particularly harmful to independent refiners, who generally do not have large-scale blending operations and are thus left with no alternative but to purchase Renewable Identification Numbers ("RIN") credits. RINs have skyrocketed in cost for a combination of reasons, including high demand, decreasing supply, speculation in the market by non-refiners, and a flawed program design. These costs have risen to such an extent that independent refiners routinely spend more money on RINs annually than they do on wages, benefits, and capital expenses combined. That is simply unsustainable and no business should be put in this position because of a government compliance program.

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Our region's independent refiners are critical to our energy and national security, as they provide much-needed diversity for our national fuel production capabilities. Not that long ago, there were a dozen refineries along the East Coast, and today, only a handful remain. To put this into perspective with respect to regional fuel supply, the Northeast has lost 1.5 million barrels per day – or roughly 70% – of its refining capacity, making states like New Jersey more dependent on imported fuel from foreign countries to meet our demand needs. In a cruel twist of irony, reducing foreign dependence is the very thing the RFS was intended to correct. We cannot afford to continue to jeopardize the survival of our region's refineries.

Therefore, it's critical for the EPA to implement common-sense reforms beginning with amending the proposed RFS volumes, which will help correct the course of the RFS program while ensuring that biofuel blending will still continue in earnest but without driving independent refiners out of business. In the short term, the EPA should reduce the proposed RFS volumes to 14.2 billion gallons. Reducing the RVOs aligns with the government's own projections for the maximum amount of ethanol that can be blended into gasoline. The problem with setting the RVO at the proposed 15 billion gallons is that it's simply unachievable. As a result, RFS compliance costs will increase as we struggle to achieve EPA's goal, and RIN shortfalls are created. And higher RFS compliance costs directly harm independent refiners, their workers, and ultimately, consumers.

In the longer term, the EPA should consider solutions such as reassigning the point of obligation away from refiners to parties who actually control the vast majority of blending. Making this simple change would encourage more blending of renewables into our transportation fuels, benefiting our nation's farmers and biofuel producers. The EPA should also consider establishing a system whereby obligated parties can purchase fixed, low-price RINs directly from the EPA for the ethanol requirement if they are not able to obtain cost-effective RINs in the market. This is similar to what EPA already does for cellulosic biofuel, and it could generate revenue to assist with the marketing of biofuels.

My district is home to numerous popular destination towns on Long Beach Island and more than forty miles of barrier beaches that form the Barnegat and Little Egg Harbor Bays, all of which depend upon tourists who are willing to drive to these locations and vacation. In addition, Ocean County is a healthcare and retail hub in the state of New Jersey. High fuel costs caused by a broken RFS, or in the worst case, caused by regional refinery closures, would have devastating effects on our communities, our residents, and the businesses that sustain Ocean County.

I applaud efforts undertaken to ensure that America takes a leading role in the world in energy production, but we must take fair steps to protect our domestic refiners, the thousands of family-sustaining jobs they create, and our energy independence from foreign countries. It is absolutely imperative that the EPA implement common-sense reforms to the well-known problems of the RFS program. A strong first step is making the above changes to the proposed RFS volumes. Thank you for considering our views and for working to protect and improve our country's environment.

Sincerely.

Assemblyman – 9<sup>th</sup> District

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