

NEW JERSEY GENERAL ASSEMBLY

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Oversight, Reform, and Federal Relations Transportation and Independent Authorities Environment, Natural Resources and Solid Waste

August 15, 2025

Mr. Lee Zeldin, Administrator Environmental Protection Agency 1200 Pennsylvania Avenue, N.W. Washington, DC 20460

RE: The Environmental Protection Agency's (EPA's) proposed rule for the Renewable Fuel Standard (RFS) Program: Standards for 2026 and 2027, Partial Waiver of 2025 Cellulosic Biofuel Volume Requirement, and Other Changes (Docket ID No. EPA-HQ-OAR-2024-0505)

Dear Administrator Zeldin,

I am submitting this comment to express serious concerns about the Environmental Protection Agency's (EPA's) proposed rule for the Renewable Fuel Standard (RFS), which includes historically high draft Renewable Volume Obligations for 2026 and 2027. Specifically, I am concerned that this proposal will further raise energy costs for families and small businesses across New Jersey while undermining the economic vitality and resilience of our domestic refining sector.

I have long supported efforts to shield consumers from overly burdensome and costly energy mandates. I am concerned that EPA's proposed RFS rule presents a similar threat.

As you know, the current RFS compliance framework places the burden of compliance on America's domestic refining sector. The most damaging regulatory burden falls on independent refineries that cannot blend ethanol due to blending and infrastructure constraints. Instead, these refineries are forced to purchase Renewable Identification Numbers (RINs) to demonstrate compliance.

The RFS and its costly, broken compliance system have already contributed to the closure of at least four refineries across the country. This alarming trend puts additional pressure on the remaining independent refineries, including those that operate in or supply finished fuels to New Jersey. Now, the unrealistic biofuel mandates in this proposed rule threaten to create even greater RIN price volatility and higher compliance costs.

These excessive regulatory burdens and resulting instability could lead to more refinery closures. This is a serious issue not only for the U.S. as a whole but especially for New Jersey. Over the past five to six years, the U.S. has lost at least 1.4 million barrels per day of refining capacity. New Jersey relies heavily on refined fuels to power our transportation systems, airports, and ports; the loss of even one more refinery could cause serious gas spikes and reduce access to finished fuels.



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This scenario would also increase our nation's dependence on foreign sources for the finished fuels we need at gas stations, airport terminals, and military bases—undermining both regional stability and national security.

Unfortunately, data shows that the RFS and its RIN-based compliance scheme are already driving up energy costs for families, forcing them to pay even higher prices for fuel and home heating oil. Independent data has indicated that the RFS is costing New Jersey drivers upwards of 30 cents more per gallon at the pump, largely due to the program's excessive compliance costs.

In the State Assembly, I have worked tirelessly to protect consumers from higher costs resulting from energy mandates. Now, on behalf of my constituents, I respectfully ask you to reduce these proposed biofuel mandates to align with the federal government's projected consumption levels of no more than 14.2 billion gallons of ethanol. It's also critical that the EPA grant small refinery exemptions and stop the practice of 'reallocation,' since small refinery exemptions do not reduce biofuel demand but merely raise RIN costs. Please protect America's refiners and New Jersey families from this overly burdensome mandate and rising energy costs before it's too late.

Sincerely,

Michael Inganamort Assemblyman

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