

From the Desk of

Mayor Brianna Howard

**Mayor, Mount Jewett
Borough**

**1 Center Street
Mt. Jewett, PA 16740**

May 31, 2022

Mr. Ronald Klain, Chief of Staff
Office of the President of the United States
1600 Pennsylvania Ave., N.W.
Washington, DC 20500

Dear Mr. Klain:

I am writing to you today to express the need for critical reforms to the federal Renewable Fuel Standard (RFS) program. While the RFS was a well-intended program, it is not operating as Congress intended it to and as a result is threatening the viability of our region's last few independent refineries, as well as consumers.

As I am sure you are aware, the blending requirement part of the RFS has been especially harmful to independent refineries, who generally do not have large-scale blending operations, and are thus left with no alternative but to purchase compliance credits – known as Renewable Identification Numbers (“RIN”) in an unregulated and nontransparent marketplace. RIN costs have skyrocketed to unsustainable levels – from just pennies on the dollar to \$1.60 today. That equates to refiners spending more on these compliance costs than all other operating costs **combined**. Adding insult to injury, history has shown there is no correlation between the RIN price and the amount of ethanol blended into our fuel supply.

Our region's independent refiners are crucial to our energy and national security, as they provide much-needed diversity for our national fuel production capabilities, and they also provide good-paying jobs. Just 14 years ago, there were a dozen regional refineries and today, just four 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 Pennsylvania more dependent than we should be on imported fuel from foreign countries. Additionally, studies show the RFS program is **adding up to 30 cents per gallon of gasoline at the pump for consumers**. We cannot afford to continue to jeopardize the survival of our region's refineries, and hurt the pocket books of consumers, especially at a time when our economy is still recovering from the depths of the pandemic.

While the RFS program needs critical reforms to address these longstanding issues, action can be taken now to provide short-term relief. **I would encourage the EPA to reduce the 2022 Renewable Volume Obligation (RVO) by at least 1.5 billion gallons**, from the proposed 15 billion gallons to about 13.5 billion gallons. This will better reflect the federal government's actual projected ethanol demand for the year, while providing short-term relief in the RIN market.

I fear that further inaction on the RFS will threaten our independent refiners, the thousands of good-paying jobs they create, consumers, and our energy independence from foreign countries. Thank you for your time and consideration in reading this letter.

Sincerely,

Brianna Howard
Mayor
Mount Jewett Borough

CC: Brian Deese, Director, National Economic Council
Marty Walsh, Secretary of Labor
Gina McCarthy, National Climate Advisor
Dan Utech, Chief of Staff, EPA
Seth Harris, Senior Advisor Labor Policy
Cedric Richmond, Senior Advisor and Director of Public Engagement
Senator Pat Toomey
Senator Bob Casey