CHAMBER OF COMMERCE
SOUTHERN NEW JERSEY
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August 5, 2025

The Honorable Lee Zeldin, Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
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,

On behalf of the Chamber of Commerce of Southern New Jersey (CCSNJ), I write to provide comment on Docket No. EPA-HQ-OAR-2024-0505. CCSNJ urges the Environmental Protection Agency (EPA) to make thoughtful modifications to the recently proposed Renewable Volume Obligations (RVOs) under the Renewable Fuel Standard (RFS) in EPA's final issuance of the rule.

The Chamber of Commerce Southern New Jersey (CCSNJ) is the region's largest and most influential business organization representing businesses in the seven most southern counties of New Jersey, as well as greater Philadelphia and northern Delaware. Our organization brings together community and business leaders in advocating for equitable economic prosperity throughout the region. Unfortunately, the RFS program has gone astray of Congress' original intent and is no longer functioning equitably.

That's why it's critical for the EPA to implement common-sense RFS reforms. The RFS has made it impossible for many independent refiners to meet ever-growing mandates for one simple reason: they effectively cannot blend the renewables themselves, making them powerless but still liable for compliance in a captive credit marketplace. The blending of renewable fuels happens just before a hauler leaves to deliver fuel to retail gas stations, and independent refiners do not own large-scale blending facilities.

As a result, refiners are forced to spend hundreds of millions of dollars every year on purchasing compliance credits, known as RINs. Overly aggressive, and in some cases unachievable, volume requirements have caused the cost of RINs to balloon from only a few cents to as high as $2 per credit at one point. They have recently traded for $1.15 per credit. Absent reforms, independent refiners will only be able to last for so long because they're spending more on RIN costs each year than all other operational costs combined. These compliance costs are jeopardizing the future of our few remaining East Coast refineries. This is particularly alarming considering that we only have a handful of refineries remaining on the East Coast, when not that long ago, there were a dozen.

Within the past decade, the Northeast has lost 1.5 million barrels per day – or roughly 70% – of its refining capacity, making South Jersey more dependent than it should be on imported fuel from foreign countries. Businesses depend on having reliable access to fuel to propel their operations and grow. Imagine what the impacts would be if the remaining refineries in our region, PBF Energy, Monroe Energy, and Phillips 66, closed and were unable to produce fuel for the business community at this critical time.

Any further refinery closures on the East Coast would be devastating to our local communities. The refining industry has among the highest job multipliers of any industry in the nation, supporting thousands of direct and indirect jobs. CCSNJ represents over 1,200 businesses within the tristate area. Of those, roughly 82 percent are small businesses that employ less than 50 people, and many provide goods and services to our regional refineries. From pipe manufacturers to mechanical services providers to local restaurants and more, the volume of indirect jobs needed to support these operations is enormous. Many of these jobs are the family-sustaining, blue-collar jobs for which President Trump advocates.

The RFS is severely broken, and without reform from the EPA, the ripple effects threaten the livelihoods of countless Americans, but especially those in the South Jersey region. Reasonable solutions can be achieved that promote both the continued use of biofuels *and* ensure that America's independent refiners can continue to stay in business without the heavy and unnecessary burden forced upon them by the broken RFS program.

For these reasons we encourage EPA to make the following changes in the final rule:

- **Lower the 15-billion-gallon ethanol volume requirements to 14.2 billion gallons.**
    - EPA acknowledged and then ignored the fact that 15 billion gallons of ethanol cannot feasibly be blended into the gasoline pool in 2026 and 2027.
    - 14.2 billion gallons represents the highest level of ethanol likely to be consumed, according to the U.S. Energy Information Administration (EIA).
- **Withdraw the proposed 50% import RIN reduction**
    - The current proposal lowers the compliance value of an imported fuel or fuel produced from imported feedstocks by 50% and will increase dependence on imported fuels and feedstocks because more volume will be required to meet the requirements, while simultaneously choking the RIN market.
- **Reduce the proposed biomass-based diesel volume requirements**
    - U.S. feedstocks are inadequate to meet the proposed biomass-based diesel volume requirements.
    - Setting the biomass-based diesel RVO no higher than actual domestic production from 2024 would incentivize more efficient "advanced biofuels" that meet the goal of the statute without spiking RIN prices.
- **Grant Small Refiner Exemptions (SREs) without reallocating exempted volumes**
    - EPA has yet to make a determination on nearly 200 SRE petitions, even though the law requires EPA to act within 90 days of receipt.
    - Reallocating exempted volumes does nothing to increase renewable fuel produced domestically.

On behalf of CCSNJ and our members, I respectfully urge EPA to alter the proposed rule and set blending levels at a more reasonable level that reflects the realities of our blending infrastructure and vehicle engine constraints. Thank you for considering our request.

Sincerely,

Christina Renna, President & CEO
Chamber of Commerce Southern New Jersey

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