



CHESTER COUNTY CHAMBER

OF BUSINESS & INDUSTRY

July 23, 2025

The Honorable Lee Zeldin, Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

RE: Renewable Fuel Standard (RFS) Program: Standards for 2026 and 2027, Partial Waiver of 2025
Cellulosic Biofuel Volume Requirement, and Other Changes
Docket ID - EPA-HQ-OAR-2024-0505

Dear Administrator Zeldin:

On behalf of numerous vendor companies and suppliers based in Chester County, as well as hundreds of county residents who earn their livelihood from our regional refineries, I am writing to express our collective desire to see the EPA make meaningful changes to the proposed Renewable Volume Obligation ("RVO"). Specifically, we respectfully request the EPA to reduce its annual ethanol volumes under the proposed rule, setting the final rule at no greater than 14.2 billion gallons of fuel per year. Taking this critical step is one of the most meaningful ways in which independent refineries in our region and beyond might begin to see some relief from the unpredictable and debilitating financial weight of RFS compliance.

The RFS as it stands today is not operating in a manner that is consistent with Congress's intent, and it is resulting in severe economic harm being borne by independent refiners across the country, including the last remaining refineries here in the Northeast. Without action soon, these refineries face an uncertain future, the impacts of which will be felt far and wide, threatening tens of thousands of jobs.

Refineries in the Northeast provide vast economic benefits that reverberate throughout the region, creating and supporting thousands of good-paying, family-sustaining jobs. A 2012 study by the Pennsylvania Department of Labor and Industry found the following:

The employment multiplier for these layoffs in southeastern Pennsylvania is substantial. An estimated 18.3 jobs will be lost for each layoff. The employment multipliers in this industry for the state and the nation are 22 jobs and 61 jobs, respectively. In comparison, Iron and Steel Foundries, which has a significant economic tie to several industries, only has a multiplier of 6.5 jobs for Pennsylvania and 12 jobs for the nation.

The Renewable Fuel Standard was well-intentioned when it was established in 2005 – aimed at reducing the country's dependence on foreign oil by increasing our usage of a domestically-produced resource.

However, the program has gotten severely off-track for a multitude of reasons. From EPA setting unreasonable blending volumes which create shortages in the credit market (RINs) to parties that are not involved in fuel production or farming driving RIN credit prices higher, it's costing refiners more to comply with the program and consumers more at the pump. This wasn't how Congress envisioned the program would operate and it's not in the best interest of our nation's energy security.

Furthermore, RIN credit prices over the years have fluctuated wildly. When the program first started, RIN prices were roughly two to three cents but have soared to as high as \$2.00 per credit. While credit prices have fallen off their highs, they still stand at over \$1.00, having gone up 75% this year alone. High RIN prices coupled with wild price fluctuations ultimately threatens independent refiners along with many businesses and the workforce that call Chester County their home.

It's also worth noting that the high cost of RINs has done very little to create actual benefits for the environment, as noted by the National Wildlife Federation and others, or to help expand renewable fuel production. Therefore, a more balanced RFS program has the potential to benefit farmers and support the expansion of renewable fuel use without creating an insurmountable financial burden for America's independent refiners.

Independent refiners are vital to our national and energy security, and this was highlighted by the 2021 cyberattack which shut down the Colonial Pipeline. While states south of Delaware experienced immediate gas shortages and price spikes, our region avoided this outcome entirely because we have refineries right here, providing the transportation fuels we need to fill our personal vehicles and to propel our local businesses and ultimately, our regional economy. This incident was a glaring example of the importance of having regional diversity of fuel production in this country.

For the above reasons and more, it's critical that the EPA sets the RVO for the next two years at a reasonable level, which actually reflects the amount of ethanol that can actually be blended into the nation's fuel supply. Setting the RVO too high will result in yet another failure to meet the goals of the RFS program, it will ensure that compliance costs for independent refiners will remain at untenable levels and it will raise the price at the pump for consumers.

I respectfully request that you take action now because the RFS is currently unsustainable, and significant change is needed. If America is to achieve complete energy independence and unleash our energy dominance, we simply cannot afford to lose independent refiners that provide life-changing opportunities for countless families and a reliable supply of fuel in the Northeast. Taking the above action on the RVO will go a long way towards ensuring that this does not happen. Thank you for your time and consideration.

Sincerely,

Laura Manion
President & CEO