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## GLOUCESTER TOWNSHIP

— JOIN THE EXCITEMENT —

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May 25, 2022

The Honorable Joseph R. Biden, Jr.  
President of the United States  
1600 Pennsylvania Ave., N.W.  
Washington, DC 20500

Dear President Biden:

I am joining the sizeable list of bipartisan voices asking for you to make meaningful reforms to the federal Renewable Fuel Standard (RFS) program. Without action by the Administration, we could see our region's last remaining refineries close their doors permanently, taking thousands of direct jobs and tens of thousands of indirect jobs with them, at a time when we cannot afford it.

The RFS may have had good intentions when the program started, but it is now not functioning as Congress intended. Because of the current way the RFS is structured, our region's independent refiners now spend more money on RFS compliance costs (via Renewable Identification Numbers, or RINs) than on all other operating expenses – combined. This is truly unsustainable and action must be taken now to address this costly and unnecessary burden.

As I am sure you are aware, fourteen years ago there existed a dozen regional refineries. That number today is just four. With respect to our regional fuel supply, the Northeast has lost 1.5 million barrels per day, or about 70%, of its refining capacity. This has resulted in states like New Jersey becoming more reliant on imported fuel from foreign countries – the exact thing the RFS sought to avoid. We should be supplying our demand by producing fuels and products here, where we proudly refine it in a manner that is much cleaner than some of the countries to where production has shifted.

Our regional independent refiners are ready to play a crucial role in transitioning to renewable fuel production. However, they sadly won't be able to have such an opportunity unless action is taken to reform the RFS. Unless something is done, we risk becoming more dependent on foreign energy and our national security will be at risk. Further, recent studies have shown the RFS program is adding up to 30 cents per gallon of gasoline at the pump for consumers, something people in Gloucester Township simply cannot continue to afford.



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In the immediate future, I would encourage the EPA to consider reducing the overall 2022 Renewable Volume Obligation (RVO) levels by at least 1.5 billion gallons which will better reflect actual projected demand while simultaneously providing short-term relief in the RIN market. The Energy Information Administration has reported that this adjusted volume (13.5 billion gallons) will be more aligned with what we expect demand to be. By reducing the 2022 RVO, RIN costs will be immediately reduced without reducing biofuel blending. The limiting factor is not what can be produced, but what the country's infrastructure will allow based on constraints. Perhaps most importantly, this adjustment will not reduce the amount of biofuels that get blended whatsoever.

One of only four large refineries left on the East Coast is located nearby in Paulsboro, which is one of two in the Garden State. The facility located nearby contributes to our regional economy and includes both direct and indirect jobs, including those held by union workers. If the 2022 RVO is not lowered, and if the RFS is not fully reformed, this facility may soon go away and take with it the jobs and economic benefit that it currently provides.

I recognize and appreciate your Administration's efforts towards ensuring our country takes a leading role in the world on green energy. However, we can still achieve our goals while protecting our domestic refineries, the thousands of union jobs they provide for, and our energy independence from foreign nations. I appreciate your time and consideration on this very important matter.

Sincerely,

A handwritten signature in black ink that reads "David R. Mayer". The signature is fluid and cursive, with the first name "David" being the most prominent.

David R. Mayer

Mayor, Gloucester Township, New Jersey

CC: Ron Klain, White House Chief of Staff  
Brian Deese, Director, National Economic Council  
Marty Walsh, Secretary of Labor  
Dan Utech, Chief of Staff, EPA  
Seth Harris, Senior Advisor Labor Policy  
Cedric Richmond, Senior Advisor and Director of Public Engagement  
Governor Phil Murphy, New Jersey  
Senator Robert Menendez  
Senator Cory Booker  
Congressman Donald Norcross  
Congressman Jeff Van Drew