

11 Stanwix Street, 17th Floor
PITTSBURGH, PA 15222-1312
T: 412.281.4783
F: 412.392.4520
PittsburghChamber.com

October 6, 2021

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

Dear Administrator Regan:

On behalf of the Greater Pittsburgh Chamber of Commerce, an affiliate of the Allegheny Conference on Community Development, we write to you to express our strong support for meaningful reform to the Renewable Fuel Standard (RFS). For many years, the RFS has not functioned in accordance with its original intent, and the recent spike in Renewable Identification Numbers (RINs) credit costs has created a dire scenario for the independent refineries that supply the Northeast. Unless significant action is taken soon, these refineries could close forever, jeopardizing tens of thousands of jobs throughout Pennsylvania, diminishing our national fuel supply security, and leading to fuel shortages and price spikes.

Refineries in the Northeast are critical and indispensable suppliers of the transportation fuels that southwestern Pennsylvania relies on. Just outside of Philadelphia, Monroe Energy (Monroe) sends a significant amount of the gasoline, diesel, and jet fuel that they produce into the Pittsburgh region from the east. PBF Energy's (PBF) Delaware City Refinery also supplies our region, in addition to the company's refinery in Toledo, Ohio sending fuels to the area from the west. The ability for businesses in our region to source fuel from multiple points creates a competitive advantage and ensures that businesses and consumers have consistent access to reasonably-priced fuel.

Because both Monroe and PBF are independent refiners, they do not have the capability to blend renewable fuels into the products they produce. Because independent refiners must still demonstrate compliance with the RFS, their only means of doing so is through the purchase of RINs, regardless of how much these credits cost in the market. If RIN costs do not subside substantially soon, there is the very real possibility that another million barrels per day of refining capacity will be put at risk and will not come back online. This is concerning at any time, but it's even

more so now as we recover from the pandemic and the demand for gasoline, diesel and jet fuel continues to grow.

Our members depend on having reliable access to fuel supplies in order to operate and grow their businesses, and they have this thanks to regional diversity of fuel supply. Our region was fortunately spared from the impacts of the Colonial Pipeline shutdown earlier this year in large part because of the remaining refineries in the Northeast. The current structure of the RFS threatens to undo these geographical benefits, leading to a cascading effect of fuel shortages and price increases.

For the above reasons and more, we respectfully urge you to take swift and meaningful action to reform the RFS. Thank you for your time and consideration of our request.

Sincerely,



Matt Smith
President, Greater Pittsburgh Chamber of Commerce

CC:

Senator Pat Toomey
Senator Bob Casey