



# STATE OF UTAH

GARY R. HERBERT  
GOVERNOR

OFFICE OF THE GOVERNOR  
SALT LAKE CITY, UTAH  
84114-2220

SPENCER J. COX  
LIEUTENANT GOVERNOR

September 16, 2019

President Donald J. Trump  
The White House  
1600 Pennsylvania Avenue  
Washington, D.C. 20500

Dear Mr. President:

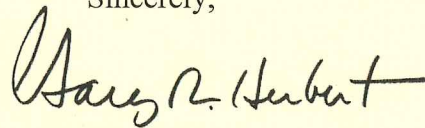
Utah is consistently recognized for its vibrant economy and high quality of life. Like you, I recognize the important role of energy in driving economic opportunities. I also appreciate your administration's support of state leadership to advance smart, market-based solutions to meet local challenges. Utah's small refineries play a crucial role in Utah's economic success, providing hundreds of high-paying jobs and over five billion dollars annually to Utah's economy. These refineries also provide a critical market for Utah's rural oil and gas producers.

While Utah supports the goals of fuel diversity and reduced emissions, it has consistently advocated against the U.S Environmental Protection Agency's (EPA) Renewable Fuel Standard (RFS) program, and its mandates that reduce industry's ability to respond effectively and innovatively to technical challenges and rapidly changing fuel markets. Since its creation through the Energy Policy Act of 2005, it has been widely recognized that providing small refineries appropriate flexibility was essential to avoiding unfair economic disadvantage. Unfortunately, the U.S. Environmental Protection Agency (EPA) has recently proposed removing the critical small refinery hardship relief exemption from its RFS program based on the argument that this exemption may hurt ethanol demand. Utah respectfully asks you and your administration to keep this crucial small refinery RFS exemption in place, and pursue other market-based approaches to supporting ethanol demand that provide direct and measurable results and support the unique operational characteristics of small refineries.

Utah and its small refineries are working together to advance Utah's air quality goals. The majority of Utah's population lives along a corridor that is surrounded by mountains, which presents unique air quality challenges. Many of Utah's refineries are committed to significant investment in producing cleaner, Tier 3 fuels, which can dramatically reduce air emissions into Utah's sensitive air shed. The EPA's longstanding flexibility for small refineries under the RFS program supports these small refineries ability to make these significant investments in improving Utah's air quality.

The State of Utah supports the biofuels industry that provides fair market place competition, and creates efficient and successful outcomes across industries and the environment. US ethanol consumption is at an all-time high. Eliminating the small refinery hardship relief from the RFS is expected to have a negligible impact on ethanol demand. Considering the high costs of removing this exemption without expected benefits poses an unnecessarily hardship on small refineries, and community flexibility to address specific local air quality challenges. Utah asks you and your administration to keep the current small refinery hardship relief RFS provision in place.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary R. Herbert". The signature is fluid and cursive, with a long horizontal stroke at the end.

Gary R. Herbert  
Governor