



HARRISBURG REGIONAL
CHAMBER & CREDC

September 24, 2021

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

Dear Administrator Regan:

On behalf of our 900 members and their more than 130,000 employees, the Harrisburg Regional Chamber and Capital Region Economic Development Corporation (CREDC) strongly supports critical reforms to the federal Renewable Fuel Standard (RFS). The RFS requires American independent refineries, including ones that support the employment of thousands of Pennsylvanians, to incorporate more renewables into the domestic fuel supply. We should also note that our members, and countless other businesses in Pennsylvania, count on this fuel supply to help their companies and employees succeed.

Unfortunately, the RFS isn't working as intended, and it's putting the future of our few remaining East Coast refineries in jeopardy due to skyrocketing costs to meet the RFS mandate. There are only four refineries left on the East Coast, down from 14 only a little more than a decade ago. The Northeast has lost 1.5 million barrels per day – or roughly 70% – of its refining capacity.

The RFS has made it impossible for refineries to meet the mandate for one simple reason: they don't have the ability to mix renewables, and are therefore accountable but powerless to comply. This mistaken approach makes it imperative for the Biden administration to implement common-sense RFS reforms. Without reform, refineries are spending hundreds of millions of dollars every year in purchasing what are called Renewable Identification Numbers (RIN) credits. The cost of these credits have exploded, and refineries will only be able to last for so long because they're spending more on RINs than all other operational costs combined.

Closures could be devastating to our local communities at such a delicate time when we're beginning to emerge from the pandemic recession. As we saw from the Colonial Pipeline hack, our country's economic activity could quickly come to a standstill in the face of a widespread fuel shortage. This incident did not have significant impacts north of Washington, D.C., due to the fact that our region was well-supplied locally, thanks to our local refineries. Additionally, reports indicate RINs are adding as much as 30 cents per gallon to the cost of making fuel. Given the recent rise in gas prices, taking

action to reduce runaway RIN costs would also provide the immediate economic relief to consumers the President called for when he recently stated a desire to use “every available tool” to help lower prices at the pump.

The RFS program must be reformed. Otherwise, the livelihoods of countless Americans in our region, as well as our security of fuel supply, are in jeopardy. Let’s find a reasonable solution – one which can be achieved that both promotes the continued use of biofuels in this country and protect America’s valuable, independent refineries.

Sincerely,

A handwritten signature in black ink, appearing to read "R.C. Unger". The signature is fluid and cursive, with the first name "Ryan" and last name "Unger" clearly distinguishable.

Ryan C. Unger
President & CEO
Harrisburg Regional Chamber & CREDC

CC: Governor Tom Wolf, Pennsylvania
Senator Pat Toomey
Senator Bob Casey
Michael Regan, EPA Administrator
Ron Klain, White House Chief of Staff
Brian Deese, Director, National Economic Council
Marty Walsh, Secretary of Labor
Gina McCarthy, National Climate Advisor
Dan Utech, Chief of Staff, EPA
Seth Harris, Senior Advisor Labor Policy
Cedric Richmond, Sen. Advisor & Dir. of Pub. Engagement