

ICYMI: Refinery Stakeholders Urge EPA to Lower Its Proposed 2022 RVOs & Lower RINs Costs Under the RFS

During the Environmental Protection Agency (EPA)'s public hearing on its proposed Renewable Volume Obligations (RVOs) for 2020, 2021 and 2022 under the Renewable Fuel Standard (RFS), a diverse group of refinery workers, organized labor leaders, local businesses, business advocacy groups, and officeholders underscored the high stakes for independent refineries and the thousands of high-quality jobs they provide nationwide, most of them employing union members.

REFINERY WORKERS

- "I'm a third-generation pipefitter, and both my grandfathers and my father had worked at that
 refinery. It is firmly our belief that if this RINs problem is not figured out, and the EPA does not
 make these needed changes, at some point, the Delaware City Refinery and the refineries in our
 area are not going to be able to sustain and stay in business... There's a lot of good-paying
 union jobs and a lot of families and people in the state of Delaware, New Jersey, Pennsylvania,
 and on the East Coast, relying on these jobs," *Michael Hackendorn, Delaware Building and
 Construction Trades Council and United Association (UA) Local 74 Plumbers & Pipefitters,
 Delaware*
- "Refinery jobs provide life-changing opportunities that benefit not only our members directly, but many more who rely on our facility for their own livelihoods, including other union members throughout the country... If the RFS forces refineries to close, the impact on jobs, the regional economy and our energy security would be direct, severe and unacceptable." *DeVon Crawford*, *United Steelworkers (USW) local 10-234 and Monroe Energy, LLC refinery, Pennsylvania*
- "The Toledo Refining Company has been a committed partner of employing Northwest Building Trades Council skilled craft workers for its maintenance and turnaround work. The skyrocketing RIN prices are putting domestically-produced fuel supplies at serious risk, which in turn puts the livelihood of thousands of skilled workers at risk and the quality of life for their families here in Northwest Ohio," *Dawn Christen, Northwest Ohio Building Trades Council, Ohio*
- "In 2009, Valero shut down the Delaware City Refinery. We all lost our jobs and felt firsthand the
 economic and personal hardship that followed. We were lucky to eventually find a buyer for the
 refinery. The refinery was reopened; however, the impact of the closing will never be forgotten. I
 would hate to see my union brothers and sisters as well as all the employees of the Delaware
 City refinery go through that again," Ken Gomeringer, USW, Delaware City Refinery, Delaware
- "Nearly 11 percent of Monroe's employees are either former or current military service members...But all of this could disappear for me and my fellow team members if the RFS is not reformed in a meaningful manner soon. High RIN prices have created an insurmountable financial hurdle for independent refiners, threatening to destroy tens of thousands of goodpaying jobs nationwide," *Joshua Bower, U.S.M.C. veteran, Monroe Energy, LLC refinery, Pennsylvania*

- "Local refineries are key partners for our union and regularly provide high-quality work opportunities for many of our nearly 700 members. The EPA's proposed RVO directly threatens their viability, along with the countless other industries across the supply chain, including those that employ IBEW members," *Bill Adams, International Brotherhood of Electrical Workers* (*IBEW*), *Pennsylvania*
- "...People in this region know that refinery jobs provide life-changing opportunities. These are
 the kinds of opportunities that sustain families, put kids through college, and provide a
 substantial safety net for a comfortable retirement... Unfortunately, the RFS and the out-ofcontrol RINs market is threatening our ability to stay in business and jeopardizing the livelihood
 of thousands of families." Joe Manerchia, Monroe Energy, LLC refinery, Pennsylvania
- "Refining has supported my family for the last 49 years. We currently have three generations of Peacocks working in the PBF Delaware City Refinery. I will retire at some point but would like to ensure that all employees are afforded the same opportunities... EPA needs to lower the 15billion-gallon proposed ethanol requirement for 2022 to 13.8 billion gallons," *James Peacock, Sr. Delaware City, Delaware*
- "[The RIN system] is unsustainable and puts our business at risk. This could, in turn, result in the loss of thousands of good-paying jobs and cause supply chain disruptions and consumer price hikes," Scott Hayes, Toledo Refining Company, Ohio
- "As a third-generation refinery worker, my daughter being the fourth, I've seen the life-changing
 opportunities our local refineries provide. For generations, tens of thousands of hard-working
 men and women in our region have spent their lives producing the critical transportation and
 home heating fuels we all rely upon. Independent refineries are facing an existential threat
 caused by the RFS," Sharon Watkins, Monroe Energy, LLC, Pennsylvania
- "...Failure to substantially reduce RIN costs will put a significant portion of American refining capacity at risk, along with thousands of union jobs. EPA must make significant, downward adjustments to the conventional portion of the final RVO," *Brendan Williams, PBF Energy, Washington, D.C.*

STATE AND LOCAL ELECTED OFFICIALS AND PUBLIC SERVANTS

- "The State of New Jersey has been clear that the RIN program has gotten out of control, it's become a gambling place, a commodity like a Bitcoin... The unintended consequence of the runaway RIN cost market and allowing speculators to get involved, allowing these numbers to jump, is positively counterproductive to what's trying to get accomplished [through the RFS]," Assemblyman John Burzichelli, New Jersey General Assembly
- "My constituents are looking for any possible routes to the economic recovery. Sadly, as it currently stands, this proposal impedes the most direct path to protect and grow union jobs... I respectfully urge EPA to take action to protect the jobs that have supported Pennsylvania families for generations," Senator John Kane, Pennsylvania State Senate, and member of Plumbers Local 690

- "On top of causing thousands of high-quality, family-sustaining jobs to disappear, this proposal would result in even higher gas and home heating oil prices at a time when many already struggle with high energy costs... EPA's current proposal would only keep raising prices for middle class families throughout Pennsylvania," *Vicki Lightcap, former mayor of Pennsburg and former president of the Montgomery County Association of Boroughs, Pennsylvania*
- "The economic impact of the Toledo Refining Company is estimated to be \$5.4 billion each year, and they provide 15 to 20 percent of the fuel supply in Ohio and Southeast Michigan... The closure of the Toledo Refining Company would have a detrimental impact on the Toledo region, resulting in thousands of direct and indirect job loses, a decreased tax base and the loss of a valued civic partner," *Brandon Sehlhorst, Commissioner of Economic Development for the City of Toledo, Ohio*
- "We are concerned that the thousands of good-paying jobs—from contractors, plumbers and pipefitters, union members, and engineers—are at risk," *Michael Beazley, City Administrator for the City of Oregon, Ohio*

LOCAL BUSINESSES AND BUSINESS ADVOCACY GROUPS

- "If finalized, EPA's current proposal would ensure the price of RINs continues to trade at astronomical levels, inevitably resulting in additional refinery closures in our area and thousands of more jobs lost. For companies like Nooter, this means we will lose business and workers alike, because hundreds of hardworking men and women of the building trades will likely relocate to find work elsewhere," *George Parsons, Nooter Construction, Pennsylvania*
- "Manufacturers need a stable supply of energy and liquid fuels to meet customer demands, and that's why many of our members work so closely with independent refineries in the Northeast. Unfortunately, the current structure of the RFS has been pushing those refineries to the brink of closure," *Carl Mararra, Pennsylvania Manufacturer's Association, Pennsylvania*
- "Gloucester County is home to PBF Energy's Paulsboro Refinery. Many construction union workers living in my county also work at Monroe's Trainer Refinery outside of Philadelphia... If regional refineries are forced to spend unsustainable amounts of money to comply with the RFS, Gloucester County will experience more jobs losses," *Heather Simmons, Gloucester County Commissioner and Deputy Director, New Jersey*
- "Our Northeast refineries play a critical role in providing jet fuel, which helps our region thrive economically. If EPA fails to do something about the skyrocketing costs of RIN credits and these refineries close, this could threaten the economic viability of the entire region," *Chris Heck, Pittsburgh Airport Area Chamber of Commerce, Pennsylvania*
- "The Trainer community depends on Monroe Energy, which in addition to creating family sustaining jobs, has organized countless charity drives... The recently announced 2022 RVO threatens to make an already dire situation worse [for independent refineries, including Monroe Energy]. If the 2022 RVO is not fixed, it will have far-reaching impacts beyond the possible closure of refineries located in communities that depend upon them," *Richard Jones, Trainer Borough Police Department, Pennsylvania*