July 30, 2025

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

RE: Comment for EPA Docket ID: EPA-HQ-OAR-2024-0505

Dear Administrator Zeldin:

I appreciate the opportunity to provide comments on the proposed 2026 & 2027 Renewable Volume Obligation (RVO) under the Renewable Fuel Standard (RFS) program. I am respectfully urging that EPA take immediate action to reform the RFS by adjusting the RVOs down for the next two years. Failure to revise this proposed rule will only further exacerbate the economic challenges confronting small and independent refiners in the Northeast.

Matrix Services Company proudly employs over 2,000+ dedicated men and women, providing engineering, fabrication, construction, maintenance, and repair services primarily to the oil, gas, power, petrochemical, industrial, and mining industries. Through our commitment to our craft, Matrix is consistently recognized as a top-tier contractor by Engineering-News Record and as one of Forbes' Most Trustworthy Public Companies. We take pride in the role we play maintaining critical infrastructure throughout the U.S., and refineries like those in the Northeast are a key source of employment for our workforce, providing thousands of direct and indirect jobs for our employees.

Unfortunately, the RFS has already contributed to at least four independent refinery closures nationwide, eliminating 80,000 high-quality, family-sustaining jobs. This is particularly devastating because the refining sector has one of the largest job multipliers of any industry. When jobs at refineries come under threat – or worse, are eliminated – there is a tangible ripple effect felt throughout the economy. Refinery closures have particularly impacted the Northeast region. The independent refiners that remain have for years been calling attention to the unrealistic mandates and out-of-control compliance costs that are at the root of the problem. It's time that we heed their warnings.

EPA generally bases RVOs on an estimate of what the United States fuel demand will be and a target for use of renewables as a share of demand. But when the EPA, year after year mandates more biofuel than can be physically blended into gasoline, or more biomass-based diesel than has ever been produced, it makes the Renewable Identification Number (RIN) credits scarce. As 'captive buyers' within the RFS program, independent refiners, who do not have the ability to blend ethanol or biodiesel, are forced to buy RINs in a highly speculative market. As we've seen in the past, what began as a predictable

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expense, at the cost of a few cents per RIN, has now wildly risen in price. RIN price fluctuations signal market inefficiencies, with the result threatening further refinery closures.

EPA has acknowledged that the supply of conventional biofuel (ethanol) in 2026 & 2027 will likely fall short of the proposed 15-billion-gallon volume and that the proposed total renewable fuel volumes are still achievable through the use of additional volumes of “advanced biofuels.” This proposal essentially allows for overcompliance with “advanced biofuels” to comply with the conventional volumes, but not vice versa. More specifically, this would allow entities controlling the D6 (ethanol) RINs to drive up prices to match those of D4 (biomass-based diesel) RINs, thereby massively increasing compliance costs in the years of this rule. Furthermore, this proposed rule mandates 5.61 billion gallons of biomass-based diesel, which is a 67% increase from the 3.35 billion gallons required in this year’s volumes. In its current form, this rule is unsustainable and poses an imminent threat to independent refiners in the U.S.

For the above reasons and more, we respectfully urge EPA to take swift and meaningful action to reform the RFS now by lowering its proposed ethanol volume mandates to 14.2 billion gallons per year in the final rule and setting biomass-based diesel volumes at parity with actual recent domestic production. These commonsense changes would reflect what is capable of being blended into the nation’s transportation fuel supply. Doing so will help to provide more liquidity in the RIN market, which in turn will bring RIN prices down. Our nation’s independent refiners cannot wait.

We appreciate having the opportunity to submit our thoughts regarding this matter. Please do not hesitate to call with any questions.

Sincerely,
Matrix Service Company

John W. Zwack
Vice President, Business Development