

DECLAN J. O'SCANLON, JR. SENATOR

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Mr. Michael S. Regan U.S. Environmental Protection Agency Office of Administrator 1101A 1200 Pennsylvania Ave., N.W. Washington, DC 20460

Dear Administrator Regan:

As America continues to embrace cleaner energy under your leadership, I want to call your attention to the need for critical reforms to the federal Renewable Fuel Standard (RFS). Our regional refineries are ready to play a pivotal role in this area, but RFS threatens their existence and the thousands of union jobs they provide.

I'm writing today to issue my concern about the RFS targets released last week by the EPA for 2022. While I thank you for striving to find a compromise on blending levels for 2020 and 2021, the proposed 2022 requirements must be addressed immediately because they threaten America's independent refiners, including those that serve New Jersey and provide stability to our energy needs. As a result, the costs of RINs will skyrocket, according to forecasts. Specifically, EPA needs to lower the proposed 2022 ethanol requirement to 13.8 billion gallons, which reflects the maximum amount of ethanol that can physically be blended into the fuel supply given engine and infrastructure constraint and the government's projections for gasoline demand next year.

This threatens our refineries, which provide tens of thousands of high-quality union jobs and support the local communities they serve. Closures also threaten our energy independence and national security by forcing America to look for its energy needs elsewhere.

RFS simply isn't working as intended, and it's putting those refineries in jeopardy due to skyrocketing costs to meet the RFS mandate. Just 14 years ago, there were a dozen of these refineries. Today, they number just four. The Northeast has lost 1.5 million barrels per day – or roughly 70% – of its refining capacity, making New Jersey more dependent than it should be on imported fuel from foreign countries.

We applaud efforts to ensure America takes a leading role in the world on green energy, but we must take fair steps to protect our domestic refineries, the thousands of jobs they create, and our energy independence from foreign countries.

Sincerely,

Senator Declan O'Scanlon

Assemblywoman Serena DiMaso