Pennsylvania Unites Against the EPA's Extreme Ethanol Mandates and Reckless SRE Reallocation Plan

The Environmental Protection Agency (EPA) has proposed record-high ethanol volumes under the Renewable Fuel Standard (RFS) and a Small Refinery Exemption reallocation plan that would shift unsustainable regulatory burdens and compliance costs on Pennsylvania's last remaining independent refiners and **cost you more at the pump**.

If finalized, EPA's proposal would hike costs on refiners and have consequences for consumers throughout the Commonwealth.

- **Independent refiners at risk:** Many refiners already spend more on RFS compliance credits than on salaries, benefits, and operational costs combined.

- **Union jobs on the line:** Thousands of high-quality, family-sustaining jobs—held by highly skilled craft professionals—could disappear if EPA's unrealistic mandates trigger additional refinery shutdowns or conversions.

- **Higher energy and fuel costs:** Experts say the RFS already adds 20–30 cents to every gallon of gasoline. EPA's new proposal would drive prices even higher.

- **Energy security at risk:** With only a few large refineries remaining on the East Coast, where more than one-third of the U.S. population resides, just one refinery shutdown could increase our nation's dependence on foreign fuel imports.

Pennsylvania Voices Unite

A diverse coalition of unions, environmental groups, regional job creators, and industry advocacy groups, throughout the Commonwealth submitted public comments urging the EPA to abandon its unrealistic mandates and reckless SRE reallocation proposal.

Organized labor leaders and unions

- **United Steelworkers**: "We represent nearly 30,000 refinery workers who have high-wage jobs with good benefits and safety standards…The consequences of this proposal for 2026 and 2027 could have devastating consequences for USW members who work at refineries…"

- **Laborers' Local 413**: "There is a tangible link between high RIN prices and the risks to our members' jobs; this further cascades into our nation's ability to produce affordable, reliable, and predictable fuel inventories. This fact is not conjecture. It has been widely reported that high RIN prices have contributed to numerous refinery closures nationwide and at least one refinery bankruptcy right here in our region.

- **I.B.E.W. Local 654**: "When independent refiners invest in major maintenance projects, it's our members whom they turn to. When refiners are confronted with unpredictable and runaway compliance costs, that causes them to defer capital projects and facility upgrades. In turn, our members lose out on great work opportunities — work that puts food on the tables of my members' families and puts their kids through college."

- **Ironworkers Local 451**: "Refining margins aren't tied to RFS compliance costs, making it much harder for independent refiners to endure. If the EPA doesn't take action to rein in runaway RFS compliance costs soon, our domestically produced fuel suppliers and our members' jobs will be at serious risk."

- **Boilermakers Local 13**: "The U.S. has lost a substantial amount of refining capacity over the last decade and here on the East Coast where 35% of the U.S. population lives, just 4 large refineries remain. With those closures here on the East Coast, we have lost thousands of high-quality, family-sustaining jobs in the process. That represents millions of lost working hours for countless unions, including the Boilermakers Local 413."

Business advocacy groups

- **Pennsylvania Chamber of Business and Industry**: "Pennsylvania's refineries provide significant economic benefits, which reverberate throughout the region, including blue-collar workers in the skilled trades. The excessively high cost of RIN credits, which small and independent refiners need to meet RFS compliance, threatens this economic vitality. Such costs divert capital from being invested into these facilities and into local economies and, as such, have created a persistently negative outcome that reverberates throughout Pennsylvania and beyond."

- **Greater Philadelphia Chamber of Commerce**: "Refineries across the Northeast remain critical to our region's economic vibrancy and our nation's energy security, yet it is well known that the RFS has imposed an undue economic burden on independent refineries of all sizes, especially those in the Greater Philadelphia region. With refineries providing one of the highest job multipliers of any industry in the country, the substantial impact of reduced domestic refining capacity over the last decade is felt across industries and communities."

- **Pennsylvania Manufacturers' Association**: "Pennsylvania stands as a global energy leader, home to abundant natural resources, a robust and talented workforce, and an incubator for innovation. As such, we are alarmed by EPA's proposed rule setting Renewable Volume Obligations for 2026 and 2027 under the RFS. This proposal threatens countless businesses in Pennsylvania and throughout the country with higher costs and lost opportunities, especially those that contract with refineries for goods, professional, and mechanical services."

- **Pennsylvania Chemical Industry Council**: "If the administration fails to reform the RFS, our domestic refineries will continue to close, and we will become even more reliant on securing refined products from our adversaries abroad. Conversely, a loss in domestic refining capacity will greatly impact Made in America manufacturing as well."

- **Delaware County Chamber of Commerce**: "The current state of the RFS threatens all of these crucial benefits that Monroe and other independent refineries provide to their respective communities. Without meaningful reform, these facilities risk closing their doors forever."

- **Chester County Chamber of Business & Industry**: "High RIN prices coupled with wild price fluctuations ultimately threatens independent refiners along with many businesses and the workforce that call Chester County their home."

- **Maritime Exchange for the Delaware River & Bay**: "Refineries in our region (Pennsylvania, New Jersey, and Delaware) have been crucial industry partners for generations… This is an unsustainable path that represents an existential threat to the continued existence of these facilities."

- **Riverfront Alliance of Delaware County**: "In recent years, pipeline disruptions, temporary refinery shutdowns, and international conflicts have routinely demonstrated the fragility of our fuel production and distribution infrastructure. Furthermore, permanent domestic refinery closures have only worsened supply challenges."

- **BrandSafway**: "This is a critical issue for our region, and without a change to the program's current structure, starting with the proposed blending requirements for 2026 and 2027, the goals of the program will not be met, and our national and energy security — along with tens of thousands of good paying jobs — will be at risk."

- **J.J. White, Inc.**: "RINs have skyrocketed in cost for a combination of reasons, including high demand, limited supply, speculation in the market by non-refiners, and a flawed program design desperately in need of an overhaul."

- **Matrix Service Company**: "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."

- **MP Projects, Inc.**: "For years, independent refiners have been raising the alarm about the crushing financial costs of RFS compliance…RIN prices have fluctuated wildly, with prices spiking in recent years for no rational reason.

Eventually, these compliance costs will be more than many independent refiners can continue to withstand."

Environmental groups and conservationists

- **Earthjustice, National Wildlife Federation, Friends of the Earth, GreenLatinos, Sierra Club, and more**: "These large, arbitrary increases in volume obligations are unjustified by EPA's own detailed analysis that clearly shows that the proposed volumes would, in fact, harm both the environment and American consumers."

- **Union of Concerned Scientists**: "These mandates can only be met with a combination of imports and counterproductive shuffling of vegetable oil out of food markets and into fuel markets, where it will be backfilled with increased imports in these markets. This will raise fuel prices for drivers, increase the deficit, raise food prices, increase global hunger and accelerate deforestation."