



102ND DISTRICT
STATE CAPITOL
P.O. BOX 30014
LANSING, MI 48909-7514

MICHIGAN HOUSE OF REPRESENTATIVES

MICHELE HOITENGA

STATE REPRESENTATIVE

PHONE: (517) 373-1747
FAX: (517) 373-9371
michelehoitenga@house.mi.gov
www.RepHoitenga.com

May 17, 2022

The Honorable Joseph Biden
President of the United States
1600 Pennsylvania Ave., N.W.
Washington, DC 20500

Dear President Biden:

I am writing to you today because I have grave concerns that inaction on the federal Renewable Fuel Standard (RFS) program will lead to unanticipated consequences for consumers and for our national energy security.

The RFS may have had good intentions when initially enacted, but today the program is not operating the way Congress intended. Independent refineries, due to having to pay for RFS compliance credits known as Renewable Identification Numbers (RINs), are spending more on these RINs than they do on all other operating expenses – combined. This includes wages, benefits, power and other operating expenses.

One of these refineries is the Toledo Refining Company, which supplies about 42% of all finished transportation fuels to Southeastern Michigan. Even though the refinery is located across the border in Ohio, they still employ several hundred Michiganders and provide an economic impact of \$5.4 billion to the region. There is also a job multiplier of 16 for every one job at the refinery. If unaddressed, high RIN prices associated with an unachievable RFS ethanol requirement will keep consumer fuel costs high and threaten our regional jobs and fuel supplies. Were the region to lose a refinery, Michigan will become more dependent on imported fuel from abroad. Now is clearly not the time to turn to foreign nations for our energy needs. The RFS is adding up to an estimated 30 cents per gallon of gasoline for consumers at the pump.

President Biden and the EPA can take immediate action now through significant RFS reforms to help strengthen our energy independence as well as provide relief to our consumers at the pump when they need it most.

I also understand that the EPA has sent its proposed Renewable Volume Obligation (RVO) for 2020, 2021, and 2022, to the White House for final review. While the RVOs for 2020 and 2021 were set at reasonable levels, the EPA's proposed 2022 RVO is 1.5 billion gallons more than the federal government's projected ethanol demand for the year. I respectfully urge that the final rule to lower the proposed 2022 blend levels by 1.5 billion gallons to reflect the actual projected ethanol demand. This will provide short-term relief in the RINs market and therefore on gas prices for consumers, and also allow for further discussions on more permanent RFS reforms.

Without urgent action, Michigan will see sustained high gas prices, the potential loss of jobs, and loss of its fuel supply at a time when we absolutely cannot afford it.

Sincerely,


Representative Michele Hoytenga
Michigan District 102