



UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA

Douglas J. McCarron
General President

January 24, 2022

President Joe Biden
The White House
1600 Pennsylvania Avenue
Washington, DV 20500

Re: Docket ID No. EPA-HQ-OAR-2021-0324

Dear Mr. President:

On behalf of the more than half a million skilled professionals that the United Brotherhood of Carpenters and Joiners of America (UBC) represents, I am submitting this letter as the official comment to the EPA's proposed rule entitled, "Renewable Fuel Standard (RFS) Program: RFS Annual Rules," Docket ID No. EPA-HQ-OAR-2021-0324. We encourage you to instruct the Environmental Protection Agency (EPA) to lower the proposed Renewable Volume Obligations (RVO) for 2022 by more than 1.5 billion gallons in the final rule. EPA also needs to eliminate the proposed supplemental RVO. The proposed rule threatens our members' family-sustaining jobs throughout the refining sector.

Failure to change the proposed RVO will keep union jobs and domestic fuel supplies at risk while increasing consumer fuel prices. The cost for the tradeable compliance credits independent refiners must purchase to comply with the RFS, called Renewable Identification Numbers or RINs, have skyrocketed over the last two years. Ethanol RINs were ten cents in January of 2020, but hit \$2 last year – a nearly 2000 percent increase. RINs are still trading at historically astronomical levels.

Congress intended that RIN credits would only ever cost a few pennies per credit – to cover the cost of the required paperwork. But today, multi-national oil conglomerates, large convenience store supply chains, and investors have figured out how to commoditize RINs - which doesn't benefit refiners, unions, the environment, or America's corn growers.

As a result, many independent refiners employing UBC members now pay more for RINs than all other operating costs, including payroll. This alarming fact threatens many domestic merchant refiners, putting the steady employment of union construction workers and American fuel supplies at significant risk.

When refineries invest in new capital or major maintenance projects, thousands of skilled craft workers are needed. In addition to putting entire refineries at risk, the uncertainty of RFS compliance costs can also delay or cancel these multi-million-dollar capital projects. UBC members are keenly aware of this reality and its impact on their livelihood.

Adding insult to injury, U.S. Energy Information Administration (EIA) and EPA data show that higher RIN prices do nothing to increase the amount of ethanol in the fuel supply. EPA acknowledges this reality in its proposed rule. Furthermore, various estimates found the RFS has added as much as 30 cents per gallon to gasoline prices, driving consumer costs ever higher during this inflationary period where many Americans – including our members – are struggling to make ends meet.

While we support the aims of the Renewable Fuel Standard, it is clear the system is not working as intended.

Simply put, the proposed 2022 RVO levels greatly exceed the 10 percent ethanol concentration in gasoline that all engines and infrastructure were built to handle. Finalizing such a proposal would result in persistently high RIN prices, putting domestic refineries and union jobs at risk. Even EPA acknowledges in its own proposal that the draft 2022 requirement cannot be met with ethanol blending. We are asking you to protect union jobs by issuing final 2022 RVO levels reflective of market demand. A final rule that lowers the conventional biofuel portion of the RVO by at least 1.5 billion gallons, which represents a less than eight percent reduction from the proposed rule, would be attainable and aligned with government estimates of the maximum amount of ethanol that can be blended into the fuel supply given engine and infrastructure constraints. Such a move will reduce RIN prices, protecting union jobs and American fuel supplies while lowering consumer fuel costs in the process.

The certainty of realistic 2022 RVO levels will protect union jobs and American families that you have continuously fought for throughout your career. If you have any questions, please reach out to UBC General Secretary-Treasurer Thomas J. Flynn at (202) 546-6206. Thank you for your attention to this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Douglas J. McCarron". The signature is fluid and cursive, with the first name "Douglas" and last name "McCarron" clearly distinguishable.

Douglas J. McCarron
General President

United Brotherhood of Carpenters and Joiners of America