Senator Anthony M. Bucco

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

RE: The Environmental Protection Agency's (EPA's) proposed rule for the Renewable Fuel Standard (RFS) Program: Standards for 2026 and 2027, Partial Waiver of 2025 Cellulosic Biofuel Volume Requirement, and Other Changes (Docket ID No. EPA-HQ-OAR-2024-0505)

Dear Administrator Zeldin,

I serve as the New Jersey Senate Republican Leader and I am submitting the comment below in response to the Environmental Protection Agency's (EPA) proposed rule for the Renewable Fuel Standard (RFS) Program, including draft biofuel mandates for 2026 and 2027.

Since 2019, I have proudly represented New Jersey's 25th Legislative District in the State Senate and have worked on behalf of New Jerseyans across Morris County. Today, I am writing to express my serious concerns about the EPA's proposed updates to the RFS program.

Since taking office, I have consistently worked to keep fuel costs manageable for the families I represent. In 2020, I voted against the state's 23-cent gas tax increase because I believed it placed an unnecessary burden on drivers and working families across New Jersey.

Today, more than four years later, I urge EPA to further protect New Jersey families and workers by shielding consumers from similarly avoidable, and harmful price hikes at the pump.

Unfortunately, the RFS program has already become a hidden tax on everyday Americans—especially middle- and lower-income households—who purchase gasoline and home heating oil. Data suggests the RFS contributes as much as 30 cents more per gallon to the cost of fuel due to the outsized costs of compliance credits and their cascading impacts across the energy supply chain.

The EPA's proposal is expected to place new, overly burdensome regulatory pressures on independent refiners who are essential to North Jersey's communities and our entire state economy. These job creators already contend with excessive compliance expenses stemming from the outdated structure of the RFS, which requires them to purchase Renewable Identification Numbers (RINs) to demonstrate compliance.

Over the past decade, the costs linked to RINs have become wholly unsustainable. Some refiners still report that RINs are their largest expense, exceeding the combined annual costs for labor, utilities, and

maintenance. This heavy regulatory burden creates significant financial strain on refiners, and the proposed rule risks overwhelming an already fragile system. The EPA's proposed "Set 2" rule represents the largest and most expensive mandate since the RFS program was established and would significantly increase compliance costs by billions of dollars more than those imposed under the previous administration.

This proposal also raises concerns from an economic perspective, particularly for everyday families who are still recovering from the high costs of inflation. The RFS already increases demand for crops like corn and soybeans, which are used to produce ethanol, biodiesel, and renewable diesel. When the EPA proposes new volumes that vastly exceed U.S. feedstocks, this spells trouble for food prices. According to the United States Department of Agriculture (USDA), approximately 46 percent of all soybeans grown are used for biodiesel and renewable diesel production, and a further 40 percent of all corn is used for ethanol production. This elevated demand can drive up the price of these crops, leading to higher food prices, especially for meat, dairy, and processed foods. In effect, the RFS not only raises costs at the pump—it also quietly inflates the price of essentials in the supermarket, placing an added burden on households across New Jersey and the nation.

Respectfully, I ask you, Administrator Zeldin, and the EPA to support New Jersey's refinery workers and consumers by lowering the agency's proposed biofuel mandates for 2026 and 2027 to a cap of 14.2 billion gallons. This would align with the federal government's projected consumption and help to ensure that the implementation of this regulation does not push more independent refineries out of business in our state and beyond. Additionally, I urge the EPA to clarify that independent refiners will not be required to cover RINs in the event small refinery exemptions are granted.

The EPA has an opportunity to reexamine and reevaluate this program based on affordability and economic stability. On behalf of my constituents, please make these adjustments to this proposal to protect jobs and energy security in our state and across the U.S. Northeast.

Respectfully,

Senator Anthony M. Bucco Legislative District 25, New Jersey