



NEW JERSEY SENATE

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November 9, 2021

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

Dear Administrator Regan:

On behalf of the constituents in my district, I want to thank you for your stewardship of the EPA, especially your efforts to protect and improve the environment in our communities and across our great nation. I'm writing today to ask for your immediate attention to the need for critical reforms to the federal Renewable Fuel Standard (RFS), before time runs out for our regional refineries. These facilities are vital to our energy and national security, and they are ready to play a pivotal role in the transition to renewable fuel production - but they will never have this opportunity unless swift action is taken to reform the RFS.

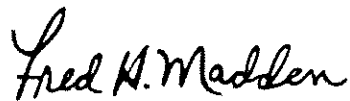
The RFS requires renewables to be blended into our transportation fuels and refiners are the ones legally obligated to meet this compliance mandate. Unfortunately, this has created an impossible mandate for independent refiners in particular, as many have very limited capabilities to do any such blending; this leaves them no alternative but to purchase Renewable Identification Numbers (RIN) credits. RINS have skyrocketed in cost due to a combination of reasons including high demand, decreasing supply, speculation in the market by non-refiners, and a flawed program design. The costs have risen to such an extent that independent refiners now devote more financial resources to RINs than to all other expenses combined, including wages and benefits.

Our region's independent refiners create and support tens of thousands of good paying, family sustaining jobs in the tristate region, including many union jobs. A 2012 study found that the job multiplier for the refining industry in our region is one of the highest for any industry in the United States, meaning that tens of thousands of hard-working men and women depend on these facilities to support their families.

While the RFS was a well-intended program, it isn't working as Congress envisioned and as a result, our region's last few independent refiners are suffering severe economic harm. Without sensible reforms, we risk making our nation even more dependent on foreign energy sources which, in a cruel twist of irony, is the very thing the RFS was intended to steer us away from.

We applaud the efforts of this administration 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 union jobs they create, and our energy independence from foreign countries. In closing, let me thank you and President Biden for all of your hard work on behalf of America's working families. Under your collective guidance, we look forward to a common-sense solution to RFS issues.

Sincerely,

A handwritten signature in black ink that reads "Fred H. Madden". The signature is written in a cursive, flowing style.

Senator Fred Madden

CC: Ron Klain, White House Chief of Staff
Brian Deese, Director, National Economic Council
Marty Walsh, Secretary of Labor
Gina McCarthy, National Climate Advisor
Dan Utech, Chief of Staff, EPA
Seth Harris, Senior Advisor Labor Policy
Cedric Richmond, Senior Advisor and Director of Public Engagement
Governor Phil Murphy, New Jersey
Senator Robert Menendez
Senator Cory Booker
Congressman Donald Norcross
Congressman Jeff Van Drew