



## VANE LINE BUNKERING, INC.

May 21, 2021

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

Dear Administrator Regan:

On behalf of the Vane Brothers Company, this letter is to express our desire to see the Biden Administration take swift and meaningful action to reform the Federal Renewable Fuel Standard (RFS). The RFS is not currently operating as Congress intended; without reform, the livelihoods of thousands of people are at risk, and the economic vitality of the tristate region will suffer significant negative consequences.

The Vane Brothers Company is a US Flag, American owned tug and barge company, in business since 1898. Headquartered in Baltimore Maryland, with offices on both the US East coast and West coast. Our Operational headquarters is strategically located in Philadelphia, Pennsylvania. We employ approximately 800 US Mariners and operate over 125 vessels carrying petroleum products both foreign and domestic.

Refineries in our region have been crucial industry partners for generations. These facilities provide family-sustaining livelihoods not only for those who work on ships and at the refineries, but also for maritime workers throughout the region, including vessel agents, pilots, tug companies, barge operators, like Vane Brothers and a host of others. They also support downstream economic activity, generating indirect jobs at companies dependent on port activity, such as equipment and parts suppliers, maintenance and repair services, office supply firms, and restaurants, just to name a few. In total, the regional port industry supports 135,000 jobs, and each refinery job supports a further 18.3 jobs in our greater community.

For some time, refiners in our region have been under tremendous financial pressure from the RFS. The current structure of the RFS places the obligation to blend renewable fuels like ethanol on merchant refiners who have little or no control over the amount of renewable fuel that gets blended into the transportation fuels that they produce. These refiners are therefore left with only one option to comply with the RFS: purchase expensive compliance credits known as Renewable Identification Numbers (RINs) regardless of the price.

RINs prices have fluctuated dramatically over the years and unfortunately, due to a number of complex structural problems with the RFS, the price of these credits has soared to untenable levels. To put this into perspective, the largest refiners in our region — Monroe Energy and PBF have spent billions on RFS compliance costs in the past decade alone. This is an unsustainable cost that represents an existential threat to the continued existence of these facilities. If the recent cyber-attack on the Colonial Pipeline



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showed us anything, it was that having refining capacity in regions beyond the gulf coast is critical to our nation's national and energy security. With only a handful of refineries left in the Northeast, a resolution to this issue is more important now than ever.

For these reasons and many more, we hope that the Administration will work to achieve meaningful resolution to this issue before it is too late.

Thank you for your prompt attention to this matter and for any relief you can provide. Should you have any questions or require additional information, please feel free to contact me at [rluliucci@vanebrothers.com](mailto:rluliucci@vanebrothers.com).

Sincerely,

A handwritten signature in cursive script, appearing to read "R. Luliucci".

Captain Rick Luliucci  
Vice President  
The Vane Brothers Company

CC: Governor John Carney, Delaware  
Governor Tom Wolf, Pennsylvania  
Governor Phil Murphy, New Jersey  
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  
Congressional Delegations of Delaware, Pennsylvania, New Jersey