Countless Individuals Across Industries Make Their Final Plea to EPA: Lower the RVO & Fix the RFS to Protect American Jobs, Energy Independence

FUELING AMERICAN JOBS COALITION

Earlier in 2023, a slate of union leaders, refinery workers, local elected officials, and small business owners from Delaware, Pennsylvania, New Jersey, and Ohio called on the Environmental Protection Agency (EPA) to lower its proposed renewable volume obligations (RVOs) for 2023, 2024, and 2025, under the federal Renewable Fuel Standard (RFS).

Below are a few of these notable comments:

DELAWARE

- James Maravelias, Delaware Building Trades:

  "EPA needs to stop playing Russian Roulette with the nation's fuel supply and union jobs. The Agency acknowledges its proposed ethanol mandate cannot even be met with ethanol but is still proposing a grossly unachievable requirement; and the highest one ever."

- Charles Craine, USW Local 4-898

  "I see the biggest threat to refineries and the stability of this region, for the 56 million people that live here, as RINs cost and now a proposed historical high RVO obligation. I am concerned about USW members jobs as well as our union friends in the building trades that help us out at Delaware City Refinery."

- Albert Green, Ironworkers Local Union 451:

  "In recent years, compliance costs associated with the RFS have remained astronomically high. And the refineries that are most impacted by this are the independent operators like PBF Energy and Monroe Energy, who collectively operate three of the four major refineries left on the entire East Coast. While it's true that refining margins are good today, we know that the market will normalize and the costs associated with RFS compliance will be much, much harder to endure."

- Ken Gomeringer, PBF Energy

  "In 2009, Valero shut down the Delaware City Refinery. We all lost our jobs and felt firsthand the economic hardship that followed. We were lucky enough to eventually find a buyer for the refinery. The refinery was reopened, however the impact of the closing will never be forgotten. I would hate to see my union brothers and sisters as well as all the employees of the Delaware City refinery go through that again."

- John Stott, PBF Energy:

  "In my role at Delaware City Refining Company, I have the privilege and pleasure of overseeing 75 employees in a successful union environment as well as a team of operations superintendents. I see their hard work and dedication firsthand and have also had the opportunity to observe the overwhelming economic impact of our nation's Northeast refineries. Unfortunately, the unsustainable costs of complying with the federal Renewable Fuel Standard (RFS) are putting our nation's independent refineries at risk."

- Brendan Williams, PBF Energy:

  "In proposing – by its own admission – an ethanol requirement that cannot be met using ethanol, EPA's proposed RVO for the next three years looks to lock in the highest cost option for achieving the projected biofuel consumption mix."

- **Jose Dominquez, PBF Energy**:

  "PBF Energy is spending more than half a billion dollars to build a renewable diesel plant. The benefit of the D4 RIN certainly had the desired effect of providing incentive for this investment. However, unnecessarily raising the D6 cost with unachievable ethanol volume obligations not only made financing our renewable diesel plant more challenging than necessary, but it also prevented us from allocating additional capital to economic renewable projects."

PENNSYLVANIA

- **State Senator John Kane, PA-09:**

  "As a proud member of Plumbers Local 690, I have experienced firsthand the benefits that union jobs provide for their members and families. These are life-changing opportunities that are invaluable in our communities. That's why thousands of hardworking men and women are counting on EPA to get this right."

- **Jondavid Longo, Mayor of Slippery Rock, PA :**

  "Residents in Pennsylvania and more specifically in my area are suffering due to significantly increased costs to heat their home. How could this be, you ask? In addition to the RFS forcing a number of refiners to close their doors and lessen our refining capacity, RFS compliance also adds to refiners' costs, driving up the price of all their products, including home heating oil."

- **Steven Kratz, PA Chemical Industry Council:**

  "We all understand the good intentions behind the RFS, but the cost of compliance on refiners now dwarfs nearly all of their other operational costs combined. This is simply unsustainable and jeopardizes numerous independent refineries throughout the country, including Monroe Energy in Pennsylvania and PBF Energy's facilities in New Jersey and Delaware, along with the many thousands of family-sustaining jobs that those facilities support."

- **Anselm Sauter, The Chamber of Commerce for Greater Philadelphia:**

  "For many years now, the Monroe Energy refinery's annual RFS compliance costs have exceeded what the company paid for its entire facility. At today's credit prices, their compliance bill has ballooned to over double the cost of their whole company. This doesn't make sense and is not sustainable."

- **Carl A. Marrara, PA Manufacturers' Association:**

  "What's more, thousands of Pennsylvanians rely on independent refineries for family sustaining careers. Tens of thousands more depend on the work being done at these refineries, both up and downstream – especially the pipe suppliers, valve manufacturers, chemical companies, and other businesses that depend on refineries to sell their goods. This proposal puts those high-quality, good-paying jobs at risk too."

- **Katie Hetherington Cunfer, Greater Reading Chamber Alliance**:

  "Our organization represents over 100 diverse businesses across Berks County, Pennsylvania. In 2021, we wrote the EPA asking for meaningful reform to the Renewable Fuel Standard. This proposal is just more of the same and frankly, dangerous and unsustainable policy."

- **Ronald Corbit, Monroe Energy:**

  "The energy sector is changing, and the Trainer refinery stands ready to embrace these changes. We want to have the chance to be a part of the next evolution in producing the greener fuels of tomorrow. But we will never have a chance to do that without RFS reform, starting with revisions to the proposed RVO."

- **Sharon Watkins, Monroe Energy:**

  "What started as a well-intentioned program aimed at reducing our dependency on foreign oil by increasing our use of domestic, renewable fuels has morphed into a program different than congress intended. It threatens to make us more dependent on foreign oil, as independent refiners are forced out of business."

- **James Dietz, Monroe Energy:**

  "On behalf of my fellow employees, and especially the veterans like me whose lives have been positively transformed thanks to places like Monroe Energy, I urge EPA to fix the RVO before it's too late."

- **Ronald Pierce, Monroe Energy:**

  "I'm here today as someone with over 29 years at this refinery to appeal to the EPA for meaningful RFS reform. Year-after-year, independent refiners in the United States have suffered under the crushing financial weight of RFS compliance – which wasn't Congress's intent. Year-after-year, the EPA and multiple administrations have failed to take common-sense steps to fix the program so that it doesn't adversely affect one party over the other and create winners and losers."

- **Rich Gaudiosi, Delaware Bay & River Cooperative (DBRC):**

  "In total, the regional port industry supports 135,000 jobs, and each refinery job supports a further 18.3 jobs in our greater community. So as you can see, our region's refineries mean a lot to a great number of people. For some time, refiners in our region have been under tremendous financial pressure from the RFS."

- **DeVon Crawford, United Steelworkers Local 10- 234:**

  "A reduction in volumes is necessary to avoid further harm to the economy of Pennsylvania and the surrounding region. I've been in the refining industry for over 20 years and I can say with confidence that the impact on jobs, the regional economy and our energy security would be direct, severe and unacceptable. This is important because as we've seen, the loss of refining capacity and the affect it has had on fuel price spikes that hurt all working families across the country."

- **Jennifer Frazier, Trainer Borough Council President:**

  "Through the years, Monroe has partnered with our schools to provide educational trips, volunteer STEM tutoring for students of all ages, and to provide guidance on setting up a STEM program at our high school. Additionally, they sponsor community events, fill our food pantries and so much more. So, as you can see, they are an integral and indispensable community partner. Monroe, like other independent refiners have been severely burdened for years by the high cost of RIN credits caused by the broken RFS system."

- **Lisa Gaffney, Riverfront Alliance of Delaware County, PA:**

  "Pipeline disruptions, temporary refinery shutdowns and international conflicts in recent years have demonstrated how fragile our fuel production and distribution infrastructure actually are. Furthermore, permanent domestic refinery shutdowns have only made supply challenges worse. The last remaining refineries on the east coast couldn't build our fuel reserves fast enough even when they were running at maximum capacity."

- **Bill Adams, IBEW 654:**

  "For decades, thousands of our members have relied on local refineries like Monroe Energy to provide them with life-changing opportunities to earn a great living and support their families. But unfortunately, some reports have already stated that the EPA's proposed RVO for the next three years would guarantee an inflated RIN market next year, with prices remaining well north of $1.60 per credit – just as we saw in 2022."

- **Anthony Moss, Laborers Local Union 413:**

  "When refineries invest in new capital or major maintenance projects, they typically employ an additional 1,000 or more skilled craft workers, and this includes even more members of my union. But wildly volatile and often excessive RIN prices have forced refineries like Trainer to take a harder look at what projects they can afford to undertake, and the result is that some of these facility investments don't move forward because of the undue burden caused by expensive RINs."

- **Ryan N. Boyer, Business Manager, Philadelphia Building & Construction Trades Council:**

  "Independent refiners throughout the Northeast are critical partners for unions, providing family-sustaining jobs and opportunities for our members. In addition, these independent refiners bolster our nation's energy security. Within the past decade, the region has lost 1.5 million barrels of fuel production per day – or roughly 70 percent of its refining capacity – making it already more dependent than it should be on fuel from foreign countries."

- **Mike Piorkowski, MP Projects:**

  "The refiners I work for are very keen on producing the next generation of greener transportation fuels. But many of these projects cannot move forward without a significant outlay of capital. This transition cannot happen overnight, and timely progress on these types of important projects will be delayed if refiners are forced to spend hundreds of millions annually on RFS compliance instead of investing that money in their facilities."

NEW JERSEY

- **Hilary Chebra, Chamber of Commerce Southern New Jersey**

  "One of the remaining refineries - in my backyard here in South Jersey - had to shut down almost half of its units to survive the pandemic, which resulted in lost fuel supplies and hundreds of lost jobs. High RINs are one reason this refinery isn't reopening its largest fuel producing units, which could be adding jobs and needed gasoline and diesel to the region."

- **Dennis Hart, Chemistry Council of New Jersey**

  "Our members directly employ nearly 44,000 people, and indirectly contribute more than 33,000 jobs to the state's economy. The unsustainable costs of complying with the RFS could easily force independent East Coast refineries to close; threatening regional fuel supplies our members rely on."

OHIO

- **State Representative Josh Williams, OH-41**

  "Being located in what some refer to as the 'rust belt,' we treasure the ability to contribute to the energy demand of the region while employing individuals with many blue-collar, union jobs that the refinery has provided for 135 years. These jobs are scarce, and we need to hold on to them. However, the unsustainable costs of complying with the Renewable Fuel Standard could cause independent refineries like ours to close."

- **Dean Monske, Regional Growth Partnership:**

  "EPA's proposal does not address this broken RIN system, even though data has shown that higher RIN prices do not actually lead to higher ethanol blend rates. Instead, EPA's proposal makes this crisis worse. The agency's proposed ethanol mandates for 2023, 2024, and 2025 are billions of gallons above the projected ethanol demand for those years, which will cause RIN prices to soar."

- Brandon Selhorst, Toledo Refining Company

"The closure of the Toledo Refining Company would have a detrimental impact on the Toledo Region resulting in thousands of direct and indirect job losses, a decreased tax base, and the loss of a valued civic partner."

- Scott Hayes, Toledo Refining Company

"The Midwest is uniquely constrained as evidenced by recent gas spikes due to temporary shutdowns of refineries in Toledo and Indiana resulting in prices so high the state of Michigan declared a state of emergency in August and waived some fuel specifications in response. Because the RVO mandate is exceedingly high and unachievable, our refinery is spending more on RINs than on all other operating costs combined. This is crazy and unsustainable."

- Dawn Christen, Northwest Ohio Building Trades Council

"The 17,000 skilled construction workers I represent live and work within the NWO region which is home to two refineries. These highly skilled workers depend on the steady high paying jobs at the local independent refineries to support themselves, their families, and our local economy… Unfortunately, the unsustainable costs of complying with the Renewable Fuel Standard could cause independent refineries in our community to close putting the livelihood and quality of life of the men and women I represent at risk."

- Stephanie Kromer, Ohio Oil & Gas Association

"Since the inception of the RFS, the United States has undergone a fundamental transformation to become energy independent, resulting in significant benefits for consumers, businesses, the economy, and our national security. Much of that transformation has taken place in Ohio and the Appalachian region. However, certain elements of the RFS seek to undo these gains and are contributing to high consumer fuel costs and, if unaddressed, will threaten the longer-term viability of independent refineries in our region."

- Joshua Abernathy, International Brotherhood of Electrical Workers LU 8, Toledo, OH

"Over the last 10 years, an averaged of 500,000 to a million annual manhours have been logged because of the partnership of the 17 different skilled trade unions of the of the Northwest Ohio Building Trades and The Toledo Refining Company. My union, the IBEW, in this past year alone has logged over 51,000 of those annual construction hours… However, the unsustainable costs of complying with the Renewable Fuel Standard could cause independent refineries in my community to close, creating a strain on where my members get their work opportunities."

- Andy Swaim, Ohio Chemistry Industry Council

"OCTC has significant concerns that the exorbitant cost of complying with the RFS will put pressure on refiners that will ultimately drive-up prices on fuels and feedstocks and drastically increase the potential for refinery closures."

NATIONAL

- Kenneth Cooper, International Brotherhood of Electrical Workers (IBEW)

"The RFS is currently not functioning as Congress envisioned, and independent refiners are seeking reasonable solutions to reform the broken program, starting with lowering the ethanol mandate to a level that the fuel supply can support given engine and infrastructure constraints. By setting the ethanol mandate lower, it will help to bring down the extremely high costs of the RIN credits, which refiners need in order to comply with the program."

- **James T. Callahan, International Union of Operating Engineers**

"Independent refiners are currently paying more for tradeable credits to comply with the RFS than they are on all other operating costs combined. The price of complying with the RFS has climbed 1,200% since January 2020, and the RIN market has climbed to over $30 billion annual market in January 2020, without doing anything to increase the amount of biofuel in the fuel supply."

- **Cecile M. Conroy, International Brotherhood of Boilermakers**

"One of the greatest threats to these refinery jobs is the highly volatile and inflated markets for RIN credits, which independent refiners must purchase to meet the renewable fuel requirements under the RFS program. The cost of purchasing for corn-based ethanol has increased by over 1200 percent since 2020."

- **Sean McGarvey, North America's Building Trades Unions (NABTU)**

"As you know, the domestic merchant refining industry provides union construction workers with thousands of steady middle class sustaining jobs. When refineries invest in new capital or major maintenance projects, they typically employ thousands of additional skilled craft workers. However, mildly volatile and excessive RIN prices have curtailed many of these multi-million-dollar projects and have forced closures. As history has shown, once these facilities come down, they rarely come back."

- **Jim Savage, United Steelworkers**

"Evidence has shown that high RINs costs do not lead to higher blend rates of ethanol – but they do lead to refinery closures and higher prices at the pump for all Americans. Since 2019, the U.S. has lost 1.4 million barrels a day of refining capacity, resulting in the loss of 5,000 refinery jobs nationwide."

- **Anna Fendley, United Steelworkers**

"Of chief concern regarding the RFS program is the RINs market and what the prices on that unregulated market means for non-integrated refinery workers. These refiners do not control biofuel blending for the majority of fuel that they produce and must purchase RINs in order to comply. As a result, high RIN costs disproportionately impact these refiners."

- **Tom Flynn, United Brotherhood of Carpenters & Joiners of America**

"To remain compliant, merchant and smaller refineries must often purchase these excess RINs from their larger competitors. This system, combined with EPA creating a scarcity in RINs when it sets the ethanol requirement at unachievable levels, has caused RIN prices to skyrocket in recent years. As a result, the regulatory compliance costs often eclipse other operating expenses for merchant and small refiners."

- **Mark McManus, United Association of Journeymen and Apprentices**

"The UA is interested in this proceeding because it is concerned that the EPA's proposal in this rulemaking will have a severe and disproportionate impact on the independent and small refiners that do not have their own ethanol blending operations. This disproportionate impact, in turn, could have devastating consequences for the tens of thousands of union refinery workers and their families, including many UA members, who rely on these facilities to support a good, middle-class lifestyle."