

New Jersey Elected Officials, Labor & Business Sound Off: Save Our State's Refinery Jobs by **Fixing the Broken RFS**

Over the course of the last several years, countless New Jersey elected officials, organized labor leaders, small businesses, and business advocacy groups have repeatedly urged the Environmental Protection Agency (EPA) to fix the federal biofuel mandate – the Renewable Fuel Standard (RFS) – that continues to drive up gas prices and push the region's independent refineries to the brink of closure.

Despite these calls, in June of 2022, EPA moved to finalize the RFS' blending volume requirements for 2022, which will be impossible for refiners to meet based on the federal government's own projections for ethanol demand, and directly threatens the viability of New Jersey's independent refineries and the tens of thousands of jobs they support.

President Biden must right this wrong, by using his authority to take swift and immediate action to fix the RFS once and for all. Below are some of these public calls from the Garden State for RFS reform that have recently been made to President Biden, Congress, and EPA.

- <u>Covernor Phil Murphy (D-NJ)</u>: "As we move toward a clean energy future in New Jersey and across the nation, we should promote an RFS policy that spares industry and its workforce from market shocks, while ensuring the highest protections for our environment and public health."
- U.S. Representative Donald Norcross (D-NJ-01): "We're going to try to work with Republicans in a bipartisan way to find solutions to what really is not working... Nobody is even suggesting that the blending of ethanol is not going to be part of this moving forward, but we created a commodity. Trading of these RINS is completely out of the picture of what we're trying to do... We have to do this for our country and for the men and women who count on this for employment."
- <u>New Jersey's Congressional Delegation</u>: "We ask that you take swift action to fix the RFS system and provide appropriate relief to domestic refiners experiencing economic hardship due to inflated RINs, especially as the industry continues to deal with downturns from COVID-19. Specifically, we urge you to take action that results in lower, more stable, and predictable RINs prices that allow independent refiners to maintain operations."
- State Senator Michael Testa Jr. (R-NJ-01), State Assemblyman Erik Simonsen (R-NJ-01), and State Assemblyman Antwan McClellan (R-NJ-01): "If you take action now, you can protect union jobs, strengthen our energy security and national security and preserve the facilities that are vital to our national effort to transition to a greener fuel future."

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 State Senator Vincent Polistina (R-NJ-02), State Assemblyman Donald Guardian (R-NJ-02), and State Assemblywoman Claire Swift (R-NJ-02): "Consequently, it's critical for the Biden administration to implement common-sense reforms beginning with amending the proposed RFS volumes. Doing so will help correct the course of the RFS program, while ensuring that biofuel blending will still continue in earnest, but without driving independent refiners out of business."









- State Senator Edward Durr (R-NJ-03), Assemblywoman Bethanne McCarthy Patrick (R-NJ-03), and Assemblywoman Beth Sawyer (R-NJ-03): "Our district is home to one of only four large refineries left on the East Coast; one of two in the state of New Jersey. This facility is an economic wellspring in our district and beyond. Both direct jobs, as well as countless indirect jobs including those held by union workers, are tied to this facility. Without a fix to the RFS, there may not be a viable future for this facility, which would deal a major economic blow to our communities, our residents, and the businesses that sustain us."
- Former State Assemblyman John Burzichelli (D-NJ-03): "The State of New Jersey has been clear that the RIN program has gotten out of control, it's become a gambling place, a commodity like a Bitcoin... The unintended consequence of the runaway RIN cost market and allowing speculators to get involved, allowing these numbers to jump, is positively counterproductive to what's trying to get accomplished [through the RFS]."
- <u>State Senator Fred Madden (D-NJ-04)</u>: "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."
- <u>State Senator James Beach (D-NJ-06)</u>: "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... It's critical for the Biden administration to implement common-sense reforms to the well-known problem of the RFS program."
- <u>State Senator Troy Singleton (D-NJ-07)</u>: "Our region's independent refiners create and support tens of thousands of good-paying, family-sustaining jobs in the tri-state region, including many union jobs. 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."
- State Senator Jean Stanfield (R-NJ-08), State Assemblyman Mike Torrissi (R-NJ-08), and State Assemblyman Brandon Umba (R-NJ-08): "We would like to add our voices to the growing list of those concerned about the need for critical reforms to the federal Renewable Fuel Standard ('RFS'). This matter has reached a critical stage in recent years, and we implore you to act before it's too late for our regional and South Jersey refiners."
- <u>State Assemblywoman Kim Eulner (R-NJ-11) and State Assemblywoman Marilyn Piperno (R-NJ-11)</u>: "Our district is home to numerous popular destination towns such as Asbury Park, Long Branch, and more, all of which depend upon tourists willing to drive to these locations. Additionally, our county is a commercial hub for New Jersey. High fuel costs caused by a broken RFS, or in the worst case, caused by regional refinery closures, would have devastating effects on our communities, our residents, and the businesses that sustain us."
- <u>State Senator Declan O'Scanlon (R-NJ-13) and Former State Assemblywoman Serena DiMaso (R-NJ-13):</u> "RFS simply isn't working as intended, and it's putting those refineries in jeopardy due to the skyrocketing costs to meet the RFS mandate. Just 14 years ago, there were a dozen of these refineries. Today, they number just four."



- State Senator Robert Singer (R-NJ-30), State Assemblyman Sean T. Kean (R-NJ-30), and State Assemblyman Edward H. Thomson (R-NJ-30): "High fuel costs caused by a broken RFS, or in the worst case, caused by regional refinery closures would have devastating effects on our communities, our residents, and the businesses that sustain us."
- <u>Board of Monmouth County Commissioners</u>: "RINs have dramatically increased from as low as 10 cents each at the beginning of 2020, to nearly \$2.00 in June 2021, resulting in roughly 30 additional cents per gallon to the cost of making gasoline."
- <u>Mayor David R. Mayer (D-Gloucester Township)</u>: "Our regional independent refiners are ready to play a crucial role in transitioning to renewable fuel production. However, they sadly won't be able to have such an opportunity unless action is taken to reform the RFS."
- Board of Cumberland County Commissioners: "Strong RFS reforms, which you have the ability to enact, will help alleviate the excessive financial burden on our regional refiners, while helping to protect hundreds of direct jobs they create and thousands more indirectly, including many here in Cumberland County, New Jersey."
- <u>Board of Cape May County Commissioners</u>: "The Board of County Commissioners of the County of Cape May also respectfully urges the President of the United States and the United States Environmental Protection Agency to establish reasonable 2021 and 2022 Renewable Fuel Standard volume mandates, which are in line with actual gasoline and diesel demand, and to make the reforming and restructuring of the Renewable Fuel Standard program a national priority, so as to maintain low and stable Renewable Identification Number prices while allowing for the continued blending of renewable fuels, consistent with the original intent of the program."
- <u>Heather Simmons Gloucester County Commissioner and Deputy Director</u>: "Gloucester County is home to PBF Energy's Paulsboro Refinery. Many construction union workers living in my county also work at Monroe's Trainer Refinery outside of Philadelphia... If regional refineries are forced to spend unsustainable amounts of money to comply with the RFS, Gloucester County will experience more jobs losses."

Labor Unions

- <u>Sal Risalvato NJ Gasoline, C-Store, Automotive Association</u>: "Without your help and continued support, New Jersey will suffer sustained high gas prices, the prospect of additional job losses, and the Northeast could lose even more of its fuel production capacity at a time when we can least afford it."
- David R. Bruce Plumbers and Pipefitters Local Union 322: "If PBF refinery closes its operation, not only will it result in the loss of so many good paying jobs, it will result in the loss of millions of dollars throughout the local economy and region negatively impacting many small businesses and hard-working families."
- Dan Cosner United Camden & Vicinity Building & Construction Trades Council: "The domestic refining industry provides our members with thousands of high-paying jobs. When refineries invest in new capital or major maintenance projects, they typically employ an additional 1,000 or more skilled craft workers. However, wildly volatile and often excessive RIN prices have curtailed some of these substantial investments, and they have even contributed to at least one refinery bankruptcy in the recent past. The current run up in RIN prices is once again putting domestically produced fuel supplies and our members' jobs at serious risk."



Business Leaders and Associations

- <u>Dennis Hart Chemistry Council of New Jersey</u>: "Our members in New Jersey directly employ 43,802 people, and indirectly contribute 33,556 jobs to the economy. These member companies and their employees rely on a stable fuel supply and the byproducts of the refining industry to make many of the products that are core to their business. A broken RFS system threatens that stability."
- <u>Christina M. Renna Chamber of Commerce Southern New Jersey:</u> "Absent a reasonable RVO for 2022, refineries will only be able to last for so long because they're spending more on these credits than all other operational costs combined. Let us be clear: Any closure of refineries could be devastating to our local communities at such a delicate time when we're beginning to emerge from the pandemic recession."
- John E. Harmon, Sr. African American Chamber of Commerce of New Jersey: "The Renewable Fuel Standard is severely broken, and without reform, the ripple effects threaten the livelihoods of countless Americans, but especially those in our region. The local pump supplier, consulting engineers, members of numerous local trade unions will all suffer greatly. The refineries in our region are in crisis, and the time for action is running out. You have the ability to take steps to protect the employers and business owners that are a part of the constituency of the AACCNJ, and the communities where they domicile."
- Steven Scott Bradley African American Chamber of Commerce of PA, NJ, & DE: "Without action soon to fix the RFS, the last remaining refineries in the Northeast could close their doors forever, taking with them thousands of direct jobs and tens of thousands of indirect jobs at a time when our members are just beginning to recover from the pandemic."
- Janet Garraty Cloucester County Chamber of Commerce: "Within the past decade, the Northeast has lost
 1.5 million barrels per day or roughly 70 percent of its refining capacity, making South Jersey more
 dependent than it should be on imported fuel from foreign countries... The East Coast and our county can't
 afford to lose more reliable fuel production capabilities or jobs."
- Michele N. Siekerka New Jersey Business & Industry Association: "Our country's demand for gasoline, diesel and jet fuel continues to grow, and it's needed to propel our economy through the recovery and beyond. If domestic refining capacity continues to decrease because of facility closures while the need for transportation fuels remains, the demand will have to be met with fuel imports from overseas; produced at refineries not adhering to the United States' rigorous environmental standards."
- <u>Christofer R. Daloisio JJD Electric:</u> "[Refineries'] dependence on JJD, and many other businesses in turn supports thousands of good paying, family sustaining jobs throughout the tristate region. This interdependence is critical, and it has been a major boon for our regional economy for decades... On behalf of our company, we respectfully request that you contact the EPA and the Biden Administration and ask them to take swift and meaningful action to address the out-of- control costs associated with the RFS before it is too late."
- <u>Bill Fischer Riggs Distler</u>: "Refineries, particularly those in the Northeast have one of the highest job multipliers of any industry in the country... Their dependence on Riggs Distler, and many other businesses in turn supports thousands of good paying, family sustaining jobs throughout the tristate region."
- <u>Adam Roina Quality Testing Services, Inc.</u>: "On behalf of everyone at Quality Testing Services, Inc. (Quality Testing), I'm writing to you today to ask for your help in advocating for reform to the Renewable Fuel Standard (RFS). Without swift and meaningful action by the Biden Administration, our region's last remaining oil refineries may close their doors forever, eliminating hundreds of direct jobs and causing irreversible reverberations in our region that will impact thousands of indirect jobs, like those provided by our company."
- <u>Patricia Cowley Greater New Jersey Motorcoach Association</u>: "Our members proudly play critical roles in Pennsylvania's and New Jersey's transportation and tourism industries. Every day, we see firsthand how important our American refineries are to countless businesses and working families. Please take this opportunity to implement common-sense RFS reforms."
- <u>Gail Toth New Jersey Motor Truck Association</u>: "Without reforms, runaway compliance costs associated with the RFS would damage the ability of refineries to provide affordable furl that helps keep our 40,000 employees working."

