

Ohio and Michigan Elected Officials, Labor & Business Leaders Sound Off: Save Our State's Refinery Jobs by Fixing the Broken RFS



Over the past few years, countless elected officials, as well as organized labor and business leaders from across Ohio and Michigan have called on the Environmental Protection Agency (EPA) to lower its proposed biofuel blending levels under the Renewable Fuel Standard (RFS) to support the region's independent refineries and thousands of high quality refining jobs.

Below are a few of these notable comments:

OHIO

- **State Senate President Matt Huffman (R-OH-12):** "Outside of the direct impact on refinery jobs, increased refining costs are inevitably passed along to consumers at the pump. Ohioans, like all Americans, are facing record gas prices. When coupled with widespread inflation, the economic pain is real. If reforming the RFS is an opportunity to provide some relief, we should take it."
- **State Senator Theresa Gavarone (R-OH-2):** "With the energy issues we are currently facing, failure to act will no doubt put us in an even worse position because of the potential to lose American jobs and fuel supplies. Reforming the RFS is in the best interest of the 2nd Senate District, as well as the entire state of Ohio."
- **Ohio State Representative Josh Williams:** "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."
- **Regional Growth Partnership President & CEO Dean Monske:** "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."
- **Toledo Refining Company Employee Scott Hayes:** "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."
- **Toledo Refining Company Employee Scott Hayes:** "We contribute \$5.4 billion of economic output to the region. We have about 1200 employees at the facility, many union and/or skilled trades, and for each direct job, IMPLAN projects a 16 job per multiplier... We fervently ask EPA to reduce the 2022 ethanol volume requirement by over one billion gallons in the final rule... Failure to make this change will continue putting union jobs and domestic fuel supplies at risk, while keeping consumer fuel prices high."
- **Ohio Chamber of Commerce Director of Energy & Environmental Policy Stephanie Kromer:** "A robust fuel and petrochemical manufacturing sector are key to Ohio's economic engine. However, the U.S. EPA's proposed renewable fuel standard (RFS) renewable volume obligation (RVO) rule will affect regional fuel supply, disrupt supply chains across various industries, and jeopardize thousands of good paying jobs in our state due to the astronomical prices of the Renewable Identification Numbers (RINs)."



- **Northwest Ohio Building Trades Council General Counsel Dawn Christen:** "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."



- **Northwest Ohio Building and Construction Trades Council Attorney Dawn Christen:** "The Toledo Refining Company is an economic driver for the Midwest. It provides 15 percent of the entire state's fuel and contributes \$5.2 billion in total direct and indirect economic benefits to Northwest Ohio... The skyrocketing RIN prices are putting domestically produced fuel supplies at serious risk, which in turn puts the livelihood of thousands of skilled workers at risk and the quality of life for their families here in Northwest Ohio. Specifically, in regard to the issue before you today, our ask is that the EPA reduce the 2022 ethanol volume requirement by over 1 billion gallons in the final rule."



- **City of Toledo Director of Economic Development Brandon Selhorst:** "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."

- **Affiliated Construction Trades Ohio Foundation Executive Director Matthew Szollosi:** "More realistic 2022 RVO levels will help protect union construction jobs in Ohio and avoid undue increases in consumer fuel prices at a time of continued uncertainty in our state's vital oil, gas, and petrochemical industries."



- **Ohio Chemistry Industry Council Director of Government and External Affairs Andy Swaim:** "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."



- **Ohio Manufacturers' Association, President Ryan Augsburger:** "Unfortunately, the current structure of the U.S. EPA's RFS and excessively high RIN prices continue to drive costs higher for Ohio's refineries, threatening jobs in the Buckeye State and driving up fuel prices for consumers during a time of supply shortages and rampant energy inflation. A change of course is desperately needed."



- **Ohio State Building & Construction Trades Council Executive Secretary-Treasurer Michael Knisley:** "As currently written, we believe the proposed EPA rule threatens Ohio Building Tradespeople's jobs in Ohio's refining sector at a time when these jobs are already in jeopardy. The uncertainty of RFS compliance at this time will add undue strain to Ohio's refineries and the tradespeople who build and maintain them."



- **International Brotherhood of Electrical Workers LU 8 Business Representative Josh Abernathy:** "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."



- **Lucas County Resident Timothy Monaco:** "PBF's refinery, located here in the Toledo area, contributes \$5.4 billion in economic output to our region and employs about 1,200 people... If the EPA fails to take the appropriate actions, we unfortunately face the possibility of lost domestic refining capacity and the economic calamity that will surely come with refinery closures. Such a result would run contrary to the President's commitment to protect union jobs and do everything in the Administration's power to alleviate high gas prices for consumers."
- **Ohio Oil & Gas Association Director of Legislative & Regulatory Affairs Stephanie Kromer:** "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."
- **Ohio Oil & Gas Association President Rob Brundrett:** "Our members remain concerned with the implementation of the RFS as it is not currently operating as originally intended... Unfortunately, U.S. EPA's proposed RFS requirement for 2022 continue to move the nation in the opposite direction. We urge the administration [to] ensure that the 2022 RVO is set to a reasonable level and encourage more serious reforms to truly address the inadequacies of the current RFS. Without immediate action, we face risking our energy independence, something Ohio and our country cannot afford."



MICHIGAN

- **State Senator Wayne Schmidt (R-MI-37):** "If unaddressed, RFS compliance costs will continue causing economic hardship for consumers in Michigan and beyond, while threatening the longer term viability of America's independent refiners... Studies have shown that the RFS is adding up to 30 cents per gallon of gasoline at the pump for consumers. Fixing the RFS is one way in which President Biden could provide meaningful relief for consumers at the pump, something we desperately need here in Michigan and across the country... Michigan cannot afford to see continued high gas prices, the potential loss of jobs, and loss of our fuel supply."
- **State Representative Joseph Bellino (R-MI-17):** "Significant imbalances within the RFS are not only impacting refiners but are also causing hardships for consumers in Michigan and beyond, while also threatening the well-being of our national energy security and energy independence."
- **State Representative Michele Hoytenga (R-MI-102):** "Were the region to lose a refinery, Michigan will become more dependent on imported fuel from abroad. Now is clearly not the time to turn to foreign nations for our energy needs. The RFS is adding up to an estimated 30 cents per gallon of gasoline for consumers at the pump."
- **State Representative Sara Cambensy (D-MI-109):** "It is imperative the federal government use all tools at its disposal to bring down consumer fuel costs as Michiganders struggle with record-high gas prices. Given current global events, it is also critical that our government work to protect national energy security and independence. Unfortunately, the RFS program is not working as Congress intended it to [sic] when the program was established in 2005, particularly as it relates to the program's compliance credits known as Renewable Identification Numbers (RINs)... I respectfully urge you to take the appropriate actions to ensure we protect our refiners and consumers alike."
- **State Representative John Damoose (R-MI-107):** "Many refiners now spend more in RFS compliance costs than all of their other operating costs – combined. Congress did not intend for the RFS program to operate in this manner, and it is impacting a nearby refinery that serves the state of Michigan... In addition to the financial impacts on independent refiners, independent experts have concluded the RINs are adding 20 to 30 cents per gallon to gasoline prices. Fixing the RFS is one way that the President could help provide meaningful relief for consumers, including my constituents, at the pump at a time when they desperately need it."

