

## 15 U.S. Senators Press EPA to Reduce 2021 RFS Obligation; Cite Ongoing Drop in Fuel Consumption, Refining Industry Challenges

October 22, 2020—Fifteen U.S. Senators representing a broad geographic swath of the country are urging EPA to show restraint in establishing Renewable Fuel Standard (RFS) targets for 2021 in light of sharp declines in U.S. motor fuel consumption due to the ongoing pandemic. In a letter sent to EPA Administrator Andrew Wheeler on October 21, the 15 Senators asked EPA to increase certainty for the troubled refining sector, account for the real-world constraints of the biofuel "blend wall" in EPA's 2021 blending targets, and appropriately factor in the drastic drop in U.S. demand for core products like gasoline, diesel and jet fuel due to the pandemic.

The letter states, "The ongoing suppressed demand for fuels and broader economic disruption arising from the COVID-19 pandemic is expected to continue well into 2021 and dictates that the RVO must be reduced to prevent outstripping the 'blend wall,' an unprecedented rise in the cost of Renewable Identification Number (RIN) offset credits, or both."

At the end of last week, RINs prices averaged 51.6 cents, 250 percent higher than at the beginning of 2020. RINs comprise a significant additional burden for refineries, which have periodically been forced to spend more on compliance costs than the cost of payroll for a refinery's entire workforce.

The letter continues, "Any increase in blending volumes mandated under the RFS, especially an expansion of the 2021 RVO, would ultimately impact American consumers forced to bear the associated costs, creating another drag on a national economy that is in a state of fragile recovery from the depths of the pandemic," wrote the senators. "It is essential that you use all available statutory authorities to see to it that these unnecessary impacts are avoided."

The letter was signed by the following Senators:

- Sen. Shelley Moore Capito (WV)
- Sen. Mike Enzi (WY)
- Sen. Mike Crapo (ID)
- Sen. John Cornyn (TX)
- Sen. John Barrasso (WY)
- Sen. Roger Wicker (MS)
- Sen. James Risch (ID)
- Sen. Pat Toomey (PA)
- Sen. Mike Lee (UT)
- Sen. Ted Cruz (TX)
- Sen. Bill Cassidy (LA)
- Sen. James Lankford (OK)
- Sen. Steve Daines (MT)
- Sen. John Kennedy (LA)

• Sen. Cindy Hyde-Smith (MS)

To view the full letter click <u>here</u>. For more information on the RFS, visit <u>www.fuelingusjobs.com</u>.

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The Fueling American Jobs Coalition is a coalition of union workers, mom & pop gas station owners, small retailers, and independent American oil refiners fighting for a commonsense fix to the Environmental Protection Agency's (EPA's) flawed Renewable Fuel Standard (RFS). The need for significant reform has only grown over the past few years as the cost of purchasing Renewable Identification Numbers (RINs) to comply with the RFS has grown increasingly volatile, threatening some refiners' survival. For additional information, visit: <u>www.fuelingusjobs.com</u>.