

STATEMENT BY THE FUELING AMERICAN JOBS COALITION

December 19, 2019—The Fueling American Jobs Coalition released the following statement regarding the release of the final Supplemental Proposal for Renewable Fuels Volumes:

"Today's announcement marks another sad chapter in the history of the Renewable Fuel Standard (RFS). A mandate created 15 years ago to help bolster America's energy security by propping up new domestic sources of fuel has today been exposed once and for all as nothing more than a subsidy for agribusiness companies—including an increasing number of companies now making foreign biofuel imported to the U.S. for the RFS—to be guarded at all costs by home-state politicians.

"The entire concept of prospectively recovering small refiner exemption (SRE) volumes is based on a false premise. The overwhelming consensus of data, confirmed by this EPA, clearly demonstrates that SREs do not suppress U.S. ethanol production, demand or exports. Year-to-date domestic ethanol blending levels are higher than ever, and the bulk of additional volumes will be satisfied by imports of foreign biofuel rather than U.S. biofuels producers.

"The fundamental flaw of this initiative lies in its remarkable divergence from both the language and intent of the Clean Air Act and the RFS regulatory structure. To be clear, neither the reallocations nor the partial waivers contained in today's announcement are legal. Both threaten to raise the cost of compliance credits known as RINs (renewable identification numbers), and refineries that have not requested exemptions will find themselves saddled with even higher volume requirements applied without due process. Court challenges will ensue.

"It will not go unnoticed that the Administration has broken its promise to protect manufacturing workers in Pennsylvania, Ohio, Texas and across the nation. The RFS will once again be mired in litigation. Reasonable politicians on both sides of the aisle will renew lingering questions about the underlying value of this rudderless government mandate.

"And just as sure as the sun will rise tomorrow over Iowa, biofuels interests will be back next year to ask for even more."

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>.