



For Immediate Release

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FAJC Statement on the Growing Momentum for RFS Reform in the Tri-State Region

Governor Phil Murphy (D-N.J.), U.S. Sen. Bob Casey (D-Pa.) and Rep. Donald Norcross (D-N.J.-1) add their voices to the groundswell of support for EPA to fix the Renewable Fuel Standard

WASHINGTON, D.C. — As more elected officials, leaders in organized labor and local businesses in the tri-state region call on the Environmental Protection Agency (EPA) to address the skyrocketing costs associated with the federal Renewable Fuel Standard (RFS), today, the Fueling U.S. Jobs Coalition released the following statement on the growing momentum in Delaware, Pennsylvania and New Jersey for EPA to fix the flawed RFS, which threatens thousands of jobs in the region, including hundreds of jobs in organized labor:

“As the tri-state region’s refineries struggle to regain their footing after the financial hardship of the COVID-19 pandemic, the spiraling costs of the federal biofuel mandate – the Renewable Fuel Standard – put these refineries at risk. Day by day, these unpredictable and unsustainable costs increase the probability of more refinery plant closures, threatening thousands of high-paying, good-quality jobs in Delaware, Pennsylvania and New Jersey.

“Right now, the one glimmer of hope for hundreds of refinery workers is the groundswell of public support in Delaware, Pennsylvania, and New Jersey for meaningful RFS reform. A bipartisan group of governors, U.S. senators and other elected officials are calling on EPA to rein in these out-of-control costs before it’s too late. Local leaders in organized labor are calling on EPA to protect thousands of jobs before families bear the brunt of mass layoffs—in the middle of the economic recovery, no less. And local businesses are calling on EPA to provide immediate relief to an industry that’s a multi-hundred-million-dollar economic engine for the entire region.

“The growing momentum in the tri-state region for RFS reform is impossible to ignore. The Fueling American Jobs Coalition calls on EPA to heed these urgent calls for relief and act now to protect thousands of refinery jobs.”

Below are letters from a bipartisan group of public officials, regional leaders in organized labor and business, and other stakeholders throughout the tristate region urging the Biden administration to provide relief to refineries and address issues with the RFS, including new letters and statements from New Jersey Governor Phil Murphy (D-N.J.), U.S. Senator Bob Casey and statements from U.S. Representative Donald Norcross (D-N.J.-1).

[Governor Phil Murphy \(D-N.J.\)](#) (June 1, 2021): “The RFS volume requirements have had negative impacts on refiners in Mid-Atlantic and other states that lack the size and infrastructure to blend ethanol into gasoline and are in turn required to buy credits from companies that have these capabilities. The price of these Renewable Identification Numbers (RINs) is subject to market volatility and can create a lack of stability or predictability for small refiners. For example, this week renewable fuel credits traded for the highest prices since at least 2013 at upwards of \$1.80 per gallon, even as the demand for fuel has decreased. **Meanwhile, restrictions necessary to reduce to the spread of COVID-19 across the country resulted in less fuel consumption but did not result in a corollary decreased**

price for RINS, forcing difficult decisions across the merchant refinery industry.”

[U.S. Sen. Bob Casey \(D-Pa.\)](#) (May 18, 2021): “As you know, the COVID-19 pandemic has had devastating impacts across our nation’s economy, including in our nation’s fuel markets. Reduced demand for oil and gas, along with actions taken by the previous administration, have resulted in enormous volatility in the RFS markets. This has made it difficult for our nation’s independent merchant refiners to meet their RFS obligations. **In Pennsylvania, Monroe Energy’s Trainer Refinery provides family-sustaining full-time jobs for nearly 500 people, plus a few hundred members of the Philadelphia Building Trades who work on site every day. Depending on the type of project work taking place, they can employ in excess of 1,000 full-time tradesmen and women in our region.** As independent refineries struggle to meet RFS obligations, I ask that you and the team at EPA work to stabilize the RFS markets to ensure the continued success of the program.”

[U.S. Rep. Donald Norcross \(D-N.J.-1\)](#) (May 22, 2021) appeared on the Labor Show with J Doc and Krausey and warned, **“for those of you who remember the OPEC, the odd-even days like we do — that’s when everyone drove around with two sets of license plates to get gas, those long lines. We’re only a whisper away from that if we lose that refining capacity.”**

[Philadelphia, Delaware, and New Jersey Building Trades](#) (May 10, 2021): **“On behalf of the 125,000 skilled craft professionals that constitute the Philadelphia, Delaware and Southern New Jersey Building Trades Unions, we write today because we need your help.** There is a pressing need for the Agency to act swiftly in granting petitions that several governors submitted to partially waive the federal Renewable Fuel Standard (RFS) volume mandate in order to prevent severe economic harm throughout the nation, and in the Northeast and MidAtlantic regions in particular.”

[Vane Brothers Company](#) (May 21, 2021): “Refineries in our region have been crucial industry partners for generations. These facilities provide family-sustaining livelihoods not only for those who work on ships and at the refineries, but also for maritime workers throughout the region, including vessel agents, pilots, tug companies, barge operators, like Vane Brothers and a host of others...For some time, refiners in our region have been under tremendous financial pressure from the RFS.”

[The Pilots’ Association for the Bay and River Delaware](#) (May 21, 2021): “[T]his letter is to express our desire to see the Biden Administration take swift and meaningful action to reform the Federal Renewable Fuel Standard (RFS). The RFS is not currently operating as Congress intended; without reform, the livelihoods of thousands of people are at risk, and the economic vitality of the tristate region will suffer significant negative consequences...In total, the regional port industry supports 135,000 jobs, and each refinery job supports a further 18.3 jobs in our greater community.”

[Maritime Exchange for the Delaware River and Bay](#) (May 18, 2021): “RINs prices have fluctuated dramatically over the years and unfortunately, due to a number of complex structural problems with the RFS, the price of these credits has soared to untenable levels. To put this into perspective, the largest refiners in our region — Monroe Energy and PBF have spent billions on RFS compliance costs in the past decade alone. This is an unsustainable cost that represents an existential threat to the continued existence of these facilities...For these reasons and many more, we hope that the Administration will work to achieve meaningful resolution to this issue before it is too late.”

[U.S. Sen. Pat Toomey \(R-Pa.\)](#) and others (March 25, 2021): “Since 2009, eight refineries have shuttered on the East Coast alone, including the region’s largest refinery, Philadelphia Energy Solutions, which closed its doors in 2019. **The rash of closures has taken a financial toll on state and local budgets, however, the most devastating consequence has been the thousands of blue collar jobs that have been lost in the process.**”

[Pennsylvania Gov. Tom Wolf](#) (February 18, 2021): “Since my previous petitions were filed, conditions have continued to deteriorate. The number of East Coast facilities that have closed has increased to eight and Pennsylvania now has only one remaining large refinery, Monroe Energy’s Trainer facility. In an SEC filing last week, Monroe Energy’s parent company reported an operating loss at the refinery of \$216 million in 2020 with \$172 million of the loss attributable to RINs expenses. Notably, these costs imposed by the RFS had increased by over a hundred million dollars from 2019, when Monroe’s RINs compliance cost was \$58 million.”

[Pennsylvania Members of Congress](#) (February 18, 2021): As evidenced by the recent bankruptcy and closure of the PES refinery in Pennsylvania, current RFS volume obligations and associated RIN costs pose a serious threat to the economic vitality and viability of merchant refiners in our region and across the nation. There are workers, families, and communities that are counting on the economic success of these refineries.”

[Pennsylvania Chamber of Business and Industry](#) (February 17, 2021): “The RFS program sorely needs reform, if not outright repeal; however, such remedies are a legislative matter for Congress to take up. In the meantime, the administration should use the tools at its disposal to provide relief. I urge you to grant the petition or, at a minimum, put in place cost containment measures to control and significantly reduce the cost of RINs.”

[Delaware County AFL-CIO Council](#) (February 12, 2021): “With only three large refineries remaining on the East Coast, we must take proactive steps to protect these facilities, and the family supporting union jobs they provide, as they are major economic drivers in the northeast. The ongoing pandemic has further magnified this issue, and unless something is done soon, this unsustainable trajectory will lead to even more refinery closures.”

[Steamfitters Local Union 420](#) (February 10, 2021): “Over the years, jobs at our local refineries have provided life-changing opportunities for tens of thousands of steamfitters. Refinery jobs have allowed our local union to invest in training, and to reinvest in our communities through youth programs, scholarships and so much more. The pandemic has created tremendous challenges for our members as jobs across our tristate region were either put on hold or cancelled altogether. Without a change, our jobs are at risk, our national security is threatened, and the goals of the [RFS] will not be met.”

[USW Local 10-234](#) (February 4, 2021): “Our members’ jobs, their families and our region rely on the economic vitality of the refinery. The severe economic harm that was the basis for the Governor’s petition is even more severe today. The pandemic has exacerbated the Renewable Identification Numbers (RINs) problem, causing prices to skyrocket even more, creating an untenable economic environment for refiners like Monroe. Things are getting worse, not better.”

[Philadelphia Building and Construction Trades Council](#) (February 4, 2021): “We cannot stress enough how crucial these facilities are to the region and the nation. If action is not taken soon on Governor Tom Wolf’s petition and meaningful reforms to the RFS are not achieved, we fear that the remaining refineries in our region will be gone forever. The economic impact of such an outcome is unthinkable”

The Fueling American Jobs Coalition is a coalition of union workers, local gas station owners, small retailers, and independent American oil refiners fighting for a commonsense fix to the EPA’s flawed 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 www.fuelingusjobs.com.