

## STATEMENT BY THE FUELING AMERICAN JOBS COALITION

*January 15, 2019*—The Fueling American Jobs Coalition released the following statement regarding Andrew Wheeler's EPA confirmation hearing:

Members of the Fueling American Jobs Coalition look forward to hearing from Acting Administrator Wheeler on his positions regarding the renewable fuel standard (RFS) and its implementation in a manner that supports U.S. biofuel production while also reducing compliance costs on blue-collar refinery workers across America.

Since taking office, President Trump and his Administration have devoted considerable time and effort to finding solutions that protect all RFS stakeholders. This has included, in accordance with the Clean Air Act and affirmed by multiple court decisions, the systematic consideration and appropriate granting of small refinery exemptions (SREs), as well as initiating the statutorily required reset of the annual volume mandates.

We hope the Acting Administrator will unambiguously reiterate the position of EPA in support of granting SREs when applicable and make clear that implementation of the RFS under his leadership will be balanced, taking into account the needs of refiners, workers and consumers.

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 common sense fix to the Environmental Protection Agency's (EPA's) flawed Renewable Fuel Standard (RFS). The need for significant reform has only grown over the last year as the cost of purchasing Renewable Identification Numbers (RINs) to comply with the RFS has skyrocketed, threatening some refiners' survival. For additional information, visit www.fuelingusjobs.com.

## **Background Material**

When last before the Senate Environment & Public Works (EPW) Committee on August 1 of last year, he was asked by Chairman Barrasso if he agreed that "EPA doesn't have the authority to limit when small refineries can apply for hardship relief." His unequivocal response was, "Absolutely. We cannot limit when they apply for the relief, no." When asked if EPA has authority to delay decisions on small refiners beyond the statutory ninety days, he further stated that "we certainly try to meet all the requirements under all of our statutes."

See: <u>https://www.epw.senate.gov/public/\_cache/files/a/f/afffe2f0-6008-4c2a-af13-</u> 87d1cb26d6be/7564C79E99E118F3853D747150119932.spw-080118.pdf at 22.

Acting Administrator Wheeler further explained to former EPW Chairman Inhofe with respect to small refinery exemptions, "We are following the statute and we now have had two court cases that have ruled against the Agency on the granting of the exemptions. We also have appropriations language to remind us to grant the small refinery exemptions."

See: <u>https://www.epw.senate.gov/public/\_cache/files/a/f/afffe2f0-6008-4c2a-af13-</u> 87d1cb26d6be/7564C79E99E118F3853D747150119932.spw-080118.pdf at 30.

At a July 24, 2018, policy briefing, the Acting Administrator also addressed the importance of continuing operation of the program and enhancing its transparency. "We're not changing how the program operates at this point," he said, but noted a goal of increased transparency about how the waiver process works. "We need to be able to explain to anybody who is concerned about this, what are the decisions we're making, why are we making them, how we're making them."

See: <u>https://www.agri-pulse.com/articles/11271-wheeler-rfs-changes-will-need-to-move-as-a-package</u>

As United Steelworkers National Oil Bargaining Chairman Kim Nibarger stated, the potential for high RINs prices "threatens thousands of refinery jobs across the country." <u>http://www.fuelingusjobs.com/what-others-are-saying</u> In the past, the Acting Administrator has recognized the salience of ensuring a reasonable approach to RINs prices. "If credits cause a hardship, it would only make sense the lower credit costs reduce the hardship," the Acting Administrator noted on July 24, 2018.

See: <u>https://www.reuters.com/article/us-usa-epa-biofuels/epa-to-keep-pursuing-biofuel-changes-under-new-leadership-wheeler-idUSKBN1KE2X6</u>

In the April 12, 2018 discussion of allowing summertime use of E-15, President Trump cautioned that, "We're going to also be helping the refineries." We hope this sense of balance stated by the President also describes the approach the Acting Administrator will take in implementing the RFS should he be confirmed to the post of Administrator.

See: <u>https://news.bloombergenvironment.com/environment-and-energy/biofuel-plan-will-make-farmers-happy-help-refiners-trump-says</u>