



For Immediate Release

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FAJC Calls on the Biden EPA to Lower 2022 RVOs, Fix the Renewable Fuel Standard

Fueling American Jobs Coalition: "The cruel irony is that the Biden administration's attempt to find compromise on the Renewable Fuel Standard could be the final straw for some independent refiners already in crisis and on the verge of closure."

"Higher gas prices. Supply chain shortages. Thousands of refinery workers robbed of their hard-earned role of fueling America's energy future. That is what happens when the federal government fails to support working families, the bedrock of our nation. This forecast will become America's future if EPA fails lower its proposed RVO for 2022 to mirror EIA demand projections and President Biden is unable to fix the Renewable Fuel Standard for good."

WASHINGTON, D.C. — Today, the Fueling American Jobs Coalition (FAJC) released the following statement after the Environmental Protection Agency (EPA) proposed biofuel blending levels for 2020, 2021 and 2022 under the Renewable Fuel Standard (RFS) that will have unintended negative consequences for U.S. independent refiners. EPA's unachievable proposal guarantees a bullish Renewable Identification Number (RIN) market that will bring independent refiners closer to the brink of closure and threaten tens of thousands of high-quality refining jobs that employ many labor union members.

"The cruel irony is the Biden administration's attempt to find compromise on the Renewable Fuel Standard could be the final straw for some independent refiners already in crisis and on the verge of closure. The proposed 2022 RVO is decoupled from economic reality and EIA data. Unfortunately, the proposed 15-billion-gallon ethanol mandate will be impossible to meet based on EIA projections of 13.8 billion gallons of ethanol demand in 2022, resulting in a deficit of 1.2 billion gallons that will tighten RIN markets.

"Last Wednesday, before RIN traders began speculating about EPA's announcement, RINs were selling for \$1.10 each. Yesterday, RINs dropped as low as \$0.75 prior to the announcement, with the last trade of the day rocketing up to \$1.05, showcasing the inherent, speculative volatility associated with which side is expected to win or lose based on EPA's proposal, rather than actual market conditions.

"RINs trading higher after the announcement undermines any short-term financial relief seen from EPA's revision of the 2020 RVO and proposed 2021 RVO - both of which are necessary to keep independent refineries open for business following the historically high RIN prices seen during the economic calamity of the pandemic and the unjustifiable volatility of the last several days.

"President Biden promised to govern responsibly and make government work for working families.

EPA's proposal threatens to break both of President Biden's campaign promises. By failing to provide permanent, meaningful RFS reform, and by making political calculations rather than meaningful policy reforms, the Biden administration risks following in its predecessors' footsteps instead of forging a path forward for both the U.S. independent refining sector and renewable fuel industry. Sadly, and regrettably, tens of thousands of refinery workers and their families have the most to lose unless the Biden Administration fixes the broken Renewable Fuel Standard.

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A [diverse and bipartisan chorus of elected officials, organized labor leaders, business advocacy leaders and industry groups](#) has been calling on the Biden administration in recent months to address the skyrocketing compliance costs of the federal Renewable Fuel Standard, which have contributed to eight independent refineries closing or announcing closure in the last two years alone, further weakening our energy security and independence, which the enabling legislation sought to reinforce, rather than destabilize.

Leaders in organized labor representing thousands of workers from Delaware, Pennsylvania and New Jersey join the Fueling American Jobs Coalition in calling on the Biden administration to lower the EPA's proposed 2022 volumes and pursue permanent, meaningful RFS reform.

"While we are encouraged by EPA's proposal for the 2020 and 2021 RVOs, unfortunately, the 2022 proposal is cause for concern. The unproductive and unpredictable costs of RINs will continue to loom over our trade union until there is a permanent solution to fix the RFS, because independent refineries are a key source of jobs for our members," said John Bland, business manager of Boilermakers Local Lodge No. 13, who sent a [letter](#) to EPA Administrator Regan earlier this year. **"Combined with EPA's proposed RVO for 2022, the broken RFS will continue to serve as a constant existential threat to independent refineries in our region and the high-quality jobs they support. EPA must lower the RVO for 2022 and fix the broken Renewable Fuel Standard, or the reality is that America is going to lose more independent refineries and its energy independence. After lowering the 2022 volume obligation to match EIA forecasts, the Biden administration should change the point of obligation to match California's, a commonsense fix that would ensure a path forward for both refinery workers and the renewable fuel sector."**

"I'm more than confident that the President will step in and reverse EPA's potentially calamitous RFS ruling that will kill union jobs in his home state. The EPA proposed unachievable ethanol requirements for 2022 and this puts Delaware jobs and East Coast fuel supplies at risk," said James Maravelias, president of the Delaware AFL-CIO and Building and Construction Trades, who penned an [op-ed](#) on the subject earlier this year. **"It is my hope our President will lower the ethanol requirement by at least one billion gallons in order to keep his promise to protect every union job, both in Delaware, our tri state area and the nation."**

"America's independent refiners are already spending more on RINs than their operating costs, including payroll for the thousands of union workers they employ. EPA's proposed RVO for 2022 will only exacerbate this unjustifiable situation, keeping the broken Renewable Fuel Standard on track to wipe out thousands of American refinery jobs, including thousands of our locally employed brothers and sisters in the Building Trades here in Pennsylvania," said Jim Snell, business manager of Steamfitters Local Union 420 in Philadelphia, who also penned an [op-ed](#) on the subject

earlier this year. **“For our workforce, our communities, and our nation’s economic recovery and energy security, EPA must revise its proposed RVO for 2022, and we look forward to working with President Biden to fix the Renewable Fuel Standard before it’s too late.”**

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 Renewable Fuel Standard. 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.fuelinjobs.com.

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