



Independent Refiners, Labor Unions: **FIX THE RFS**

America's independent refiners are essential to U.S. energy security and affordability. The outdated, fundamentally flawed structure of the Renewable Fuel Standard (RFS) puts mid-size refiners at a significant disadvantage since their throughput is too high to qualify for Small Refiner Exemptions and they lack the infrastructure to blend ethanol directly — driving up gas prices, threatening high-quality energy jobs, and weakening domestic refining capacity.

The Fueling American Jobs Coalition is a group of independent refiners and labor unions advocating for commonsense RFS reforms.

WHAT'S AT STAKE

- **Independent refinery closures:** Unpredictable, unsustainable RFS compliance costs have contributed to at least [four independent refinery closures](#), eliminating more than 80,000 jobs. Today, some refiners are spending more on Renewable Identification Numbers (RINs) than on salaries, benefits, maintenance, and utility costs combined.
- **Higher gas prices:** The RFS created a speculative, artificial market for RINs, government compliance credits that independent refiners must purchase to demonstrate compliance. However, volatile RIN prices have created a "hidden biofuel tax" at the pump. Since January 2025, RIN prices have surged by 75 percent, adding an extra [20–30 cents per gallon](#) to consumer fuel costs.
- **Weaker domestic refining capacity:** The U.S. has lost [1.7 million barrels](#) per day of refining capacity since 2019 alone. Only a few refineries remain on the East Coast, where one-third of the U.S. population resides. Now, the Environmental Protection Agency (EPA) is proposing unattainable mandates for 2026 and 2027 that far exceed projected transportation demand, putting remaining refiners in jeopardy.

THE PATH FORWARD

We are asking Congress and the Trump administration to support commonsense reforms that would protect independent refiners from unachievable mandates that trigger unsustainable compliance costs. **Specifically, we're asking that members of Congress pair any provisions authorizing national, year-round E15 sales** with policies that:

- **Ensure EPA's annual Renewable Volume Obligations (RVOs)** align with the federal government's projected ethanol consumption. EPA's current proposal, a 15-billion-gallon ethanol mandate for 2026 and 2027, is divorced from market realities and unattainable.
- **Protect mid-size refiners from EPA's proposal** reallocating RINs from small refinery exemptions to other refiners. Combining the reallocation of exempted volumes with unattainable RVOs will put America's independent refiners at higher risk of closure.

BACKGROUND

There is no American energy dominance without robust domestic refining capacity. Every day, tens of thousands of refinery workers process crude oil into essential, everyday fuels — such as gasoline, diesel, and heating oil — and other petroleum products that make modern life possible. We ensure America maintains the capacity to stock our gas stations, fuel the jets defending our airspace, and draw from our strategic reserves.

Our nation's current ethanol policies put independent refiners at risk. Unlike large integrated oil companies that blend their own fuel, mid-sized refiners often do not operate where ethanol can be physically blended into the gasoline supply, due to infrastructure limitations. Given this reality, they have no viable option but to purchase surplus RINs to meet their RFS obligation. Recent EPA proposals suggest reallocating waived biofuel volumes from exempt small refineries to non-exempt independent refiners. This effectively forces remaining refiners to absorb tens of millions of dollars in additional compliance burdens they did not originally incur.

Multinational, integrated oil companies get rich from this RIN credit scheme. Independent refiners pay the price. Companies that control ethanol-blending infrastructure sell RIN credits for profit. That means independent refiners have to purchase RIN credits from their biggest competitors — multinational integrated oil companies — and from retail stations with no RFS obligation.

When biofuel mandates exceed blending capacity, RINs become scarce, and RIN prices spike. This is why most larger oil refiners do not fear unattainable biofuel mandates; history has proven they will profit. Biofuel blenders that control supply drive up RIN prices exponentially.