

For Immediate Release August 1, 2017 Contact: Trey Hardin trey@FuelingUSJobs.com 703-850-7361

## Refining Industry to EPA: True RFS Reform Starts with Changing the Point of Obligation

Unions, Mom and Pop Gas Stations, and Independent Oil Refiners Testify for Reform at EPA Hearing

Washington, DC – Today, U.S. Environmental Protection Agency (EPA) officials heard compelling, in-person arguments that true reform of the Renewable Fuel Standard (RFS) starts with changing the "point of obligation" for blending biofuels into our nation's gasoline supply. At an EPA-sponsored hearing on the agency's proposed 2018 volume standards, key representatives of refineries, small gasoline retailers, unions and others showcased data highlighting the tens of thousands of good-paying refining jobs at risk if EPA fails to reform the program.

The U.S. government created a system in 2007 making certain entities responsible for demonstrating that appropriate amounts of renewable fuel are blended into gasoline each year. Meant to ensure that the RFS' annual fuel goals are achieved, the onus – known as the "point of obligation" – was placed on refiners and importers regardless of their ability to actually blend renewable fuels (like ethanol) into gasoline.

The unintended result of this administrative decision has been government distribution of valuable credits (known as RINs) to large convenience store gasoline chains and major integrated oil companies who blend renewable fuel into the pure gasoline made at refineries. Independent refiners, able to blend little or no renewable fuel themselves, are then forced to purchase the expensive credits on an unregulated market to demonstrate compliance. This unfair and unbalanced system generates hundreds of millions of dollars in windfall profits for large oil companies and convenience store chains each year at the expense of independent refiners and mom and pop gasoline retailers, hurting competition and threatening associated refining and retail jobs.

As an example, unless this misplaced requirement is changed, an estimated 15,000 – 20,000 refining industry jobs in southeastern Pennsylvania alone lie at risk.

Testifying today in front of EPA for this reform were:

Robert Carmann – An operator (and local USW member) at Holly Frontier's refinery in El Dorado, Kansas

Roy Houseman – United Steelworkers (USW)

Bill Douglass and Suzanne Murray - Small Retailers Coalition

Brendan Williams - PBF Energy

Steve Shimberg - Monroe Energy

Scott Segal - Valero

The Fueling American Jobs Coalition consists of union workers, mom and pop gas station owners, small retailers and independent American oil refiners fighting for a common-sense fix to the EPA's flawed Renewable Fuel Standard (RFS). Moving the "point of obligation" to the point at which fuel is actually blended will better serve the policy goals of the RFS initiative, greatly benefiting American workers and consumers alike.

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