Congress of the United States

Washington, DC 20510

February 7, 2022

The Honorable Michael S. Regan Administrator The Environmental Protection Agency 1200 Pennsylvania Avenue, NW Washington, DC 20004

Re: Docket ID Nos. EPA-HQ-OAR-2021-0324; EPA-HQ-OAR-2021-0566

Dear Administrator Regan:

As the Environmental Protection Agency (EPA) works to finalize Renewable Fuel Standard (RFS) rulemaking for 2020, 2021, and 2022, we write to emphasize the importance of restoring and maintaining RFS integrity for family farmers and rural communities across our districts.

The benefits of renewable biofuels are clear. They play a key role in reducing carbon emissions from the transportation sector,¹ generate economic growth and markets for family farmers across rural America,² and reduce the cost of fuel at the pump for hardworking Americans.³ These clear benefits are why we are encouraged by the following elements of the EPA's proposed RFS rulemaking:

- 1. The proposed 2022 Renewable Volume Obligation (RVO) blending requirement. Setting the total 2022 blending requirement at 20.77 billion gallons, including an implied volume of 15 billion gallons for conventional biofuel, fulfills the statutory obligation of the RFS and creates market stability while enhancing the integrity of the RFS. We urge the EPA to finalize this proposed RVO as quickly as possible.
- 2. The proposed restoration of 500 million gallons from the 2016 RVO. These gallons should never have been waived in the first place, and the proposal to restore 250 million gallons in 2022 and 250 million gallons in 2023 is the right one. We urge the EPA to finalize this restoration proposal.
- 3. The proposed update to EPA's Small Refinery Exemption (SRE) policy. The statutory language has always been clear: a small refinery must demonstrate "disproportionate economic hardship" to receive an exemption. We urge the EPA to finalize this proposal and ensure that the integrity of the RFS is not compromised by any future SRE abuse.
- 4. **The proposed denial of 65 pending SRE petitions.** The SRE process was designed to provide assistance to small refineries in extraordinary circumstances, not to provide an RFS loophole. We urge the EPA to follow through on its proposed denial of 65 pending SRE petitions.

¹ https://iopscience.iop.org/article/10.1088/1748-9326/abde08/pdf

² https://www.ers.usda.gov/webdocs/publications/44742/7625_err102_reportsummary_1_.pdf?v=0

³ https://neo.ne.gov/programs/stats/inf/66.html

We are also concerned about the negative impact that other elements of the proposed rulemaking would have on family farmers, biofuels producers and consumers in our districts. Specifically, we believe that the following proposed actions would undermine the integrity of the RFS and create market uncertainty moving forward:

- 5. The proposed retroactive reductions in the previously finalized 2020 RVO. These volumes were finalized in 2019, and any action to retroactively change them would be an unprecedented action that would deal a significant blow to the future integrity of the RFS. It would set a precedent that would call into question the reliability of future finalized RVO blending requirements, including the 2022 number. We urge the EPA to reverse course on this proposed retroactive reduction and consider the 2020 RVO final.
- 6. The proposed 2021 RVO lookback and the rationale for doing so. The RFS establishes clear statutory guidance for blending requirements, and it is responsive to market conditions and fuel consumption trends. The 2021 RVO should adhere to those requirements, not reflect a retroactive lookback. We urge the EPA to reverse course on this proposed retroactive reduction and set 2021 RVOs at statutory levels.

We appreciate your continued engagement with Congress as the EPA implements the RFS. We look forward to future conversations with you and the Administration about the role of renewable biofuels in our collective effort to decarbonize the transportation sector, support family farmers and rural economies, and provide affordable fuel to all Americans.

Sincerely,

Angie Craig Member of Congress

Mark Pocan Member of Congress

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Cyhthia Axne Member of Congress

Cheri Bustos Member of Congress

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David Scott Member of Congress

Ron Kind

Ron Kind Member of Congress