WASHINGTON, D.C. – Today, AFPM issued the following statement in response to an announcement from the Environmental Protection Agency (EPA) that it supports the January 2020 ruling from the 10th Circuit Court of Appeals that imposes an extra-textual third prerequisite for small refineries seeking relief when annual Renewable Fuel Standard (RFS) compliance costs amount to disproportionate economic harm. The 10th Circuit's ruling has been challenged, and that case will be heard by the Supreme Court:

"We cannot overstate how disappointed we are to start out on this foot with the Biden Administration. Through the course of the RFS and up until last year, EPA never interpreted the SRE program the way the 10th Circuit recently contrived.

"EPA's decision doesn't just abandon facilities that have, until this point, always been considered energy and national security assets, it will also inflate the cost of RFS compliance credits for every obligated party—making it harder for U.S. fuel manufacturers to stay in operation.

"In the past two years, seven refineries have shuttered. Without a mechanism like the SRE program that helps contain soaring RFS costs, there could be more facilities that meet the same fate—an outcome we should all be working to avoid. In addition to revising 2020 mandates down to correct for unlawful reallocation, AFPM hopes President Biden will direct his EPA to exercise other authority to protect small refineries, the broader U.S. fuel manufacturing sector, and the United States' standing as the global refining leader. And we still believe the Supreme Court will read the plain text of the legislation and agree that the statute provides no end date to the relief small refineries may seek."

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About AFPM:

The American Fuel & Petrochemical Manufacturers (AFPM) is the leading trade association representing the makers of the fuels that keep us moving, the petrochemicals that are the essential building blocks for modern life, and the midstream companies that get our feedstocks and products where they need to go. We make the products that make life better, safer and more sustainable — we make progress.

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