Wednesday, June 15, **AFPM President and CEO Chet Thompson** and **API President and CEO Mike Sommers** sent a letter to President Biden responding to recent letters the Administration sent to major U.S. fuel refiners suggesting that these companies, their workforces and facilities throughout the country aren't doing their part to bring fuel to the market and lower energy costs for consumers. An excerpt from the joint letter, **which notes that U.S. refiners are running at a world-leading 94% of capacity**, follows:

> *"Our industry is dedicated to providing affordable, reliable, and sustainable fuels and other petroleum products for Americans and our global allies, as we have done for decades, including throughout the COVID pandemic when many of our companies experienced financial losses…*
>
> *"With a global energy crunch underway, much focus has been placed on crude oil supply and demand. Yet crude oil has no utilitarian value until it runs through a refinery and gets processed into fuels like wholesale gasoline, diesel and jet fuel. Because of this, it's not an overstatement to say that energy security requires a strong refining sector.*
>
> *"AFPM, API, and our member companies appreciated the opportunity to make contact with your administration—as recently as this week—both to share data and analysis on what is happening in global energy markets and to provide concrete and practicable solutions for addressing today's high-price environment. Our analysis and that of independent experts include the following seven realities:*

1. Refined product prices are determined on the global markets.
2. U.S. refineries are operating at or near maximum utilization.
3. About one-third of recent refining capacity loss is due to conversions to renewable fuel production.
4. U.S. refining is a long-cycle business.
5. Even if refiners could bring more refining capacity online despite these challenges, the result could be higher demand and higher costs for crude oil.
6. Current market conditions are complex and require a closer look.
7. U.S. refiners are, in fact, adding new U.S. refining capacity where it makes business sense.

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.

The **American Petroleum Institute (API)** represents all segments of America's natural gas and oil industry, which supports more than 11 million U.S. jobs and is backed by a growing grassroots movement of millions of Americans. Our nearly 600 members produce, process and distribute the majority of the nation's energy, and participate in API Energy Excellence®, which is accelerating environmental and safety progress by fostering new technologies and transparent reporting. API was

formed in 1919 as a standards-setting organization and has developed more than 800 standards to enhance operational and environmental safety, efficiency and sustainability.

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About AFPM:

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