

United States Senate

WASHINGTON, DC 20510

September 12, 2019

The Honorable Donald Trump
President of the United States
1600 Pennsylvania Ave., N.W.
Washington, D.C. 20502

Dear Mr. President:

We understand that you have been convening recent meetings with the Environmental Protection Agency (EPA) and the United States Department of Agriculture (USDA) to consider proposals related to the Renewable Fuel Standard (RFS) and the continued issuance of small refinery exemptions (SRE). As you continue to deliberate on a final package, we strongly urge you to rescind the 31 SREs that were approved on August 8, 2019, and to prospectively account for any future SREs when calculating Renewable Volume Obligations (RVO) for 2020.

For the compliance years of 2016, 2017, and 2018, the EPA has approved 85 SREs, all of which have contributed to a reduction of over 4 billion gallons of renewable fuel blending volumes and 1.4 billion bushels of corn. The abuse of SRE authority by the EPA is negatively impacting the rural economy, and the consequences resulting from the continued misuse of these exemptions are becoming more apparent by the day.

In recent months, the biofuels industry has seen an increase in the number of plant closures, and many other plants are beginning to reduce overall production, resulting in thousands of lost jobs in rural communities and lost markets for farmers at a time when they are already struggling with low commodity prices and ongoing trade disputes. We have previously expressed our serious concerns to the EPA about the impact of your Administration's policies on the rural economy as a result of the improper issuance of SREs. Since that time, the approval of additional SREs and the worsening economic conditions facing biofuel producers and farmers have only exacerbated those concerns.

According to recent reports, the latest proposal under discussion would increase blending requirements for some categories of renewable fuels including biodiesel, but would fail to rescind the recently granted SREs and delay the reallocation of prospective exemptions until the 2021 compliance year.

The EPA's continued issuance of SREs is undermining the statutory intent of the RFS to the detriment of rural communities and farmers. It is for this reason that we ask you to ensure that any plan negotiated with the EPA and USDA rescinds the 31 recently granted SREs and upholds the intent of the RFS by accounting for future SREs in the calculation of the 2020 RVOs.

Thank you for your attention to this issue.

Sincerely,



Amy Klobuchar
United States Senate



Tammy Duckworth
United States Senate



Debbie Stabenow
United States Senate



Tina Smith
United States Senate



Richard J. Durbin
United States Senate



Sherrod Brown
United States Senate



Ron Wyden
United States Senate



Gary C. Peters
United States Senate



Tammy Baldwin
United States Senate



Jeffrey A. Merkley
United States Senate

cc: The Honorable Sonny Perdue, Secretary, United States Department of Agriculture
cc: The Honorable Andrew Wheeler, Administrator, Environmental Protection Agency