April 29, 2019

The Honorable Andrew Wheeler
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue NW
Washington, D.C. 20004

Dear Administrator Wheeler:

We write to express our concerns over the expanding number of Small Refinery Exemptions (SRE) the EPA has employed under the Renewable Fuel Standard (RFS) for certain refiners. The RFS has been a great success story for American energy independence, the development of sustainable rural economies in our home state of Illinois and across the country, and has proven to be an effective strategy to reduce greenhouse gas emissions. However, while we recognize SREs may serve an important role under certain circumstances, they may also undermine our ability to achieve the original objectives of the RFS and the Clean Air Act.

In the time since Congress established the program in 2005, the RFS has been a vital component of the all-of-the-above energy strategy America needs to achieve energy independence. Oil imports have dropped significantly while the ethanol industry continues to grow. With continued development of new technologies, there is enormous potential for further decreasing our dependence on foreign sources of energy. However, we are concerned that the expanded use of SREs will reverse this trend and lead to increased American dependence on foreign energy.

The implementation of the RFS has also been an impressive job creator in the renewable energy industry. These jobs provide good wages that support families across America, many of them in rural communities that might otherwise have limited opportunities for economic growth. Further, the RFS has given a greater amount of certainty to American farmers—an industry that is often subject to myriad unknown variables. Unfortunately, the recent spike in SREs granted has caused a considerable reduction of renewable fuel blending and has significantly lowered corn demand.

The RFS has also proven to be an effective strategy to reduce greenhouse gas emissions. On April 2, 2019, the U.S. Department of Agriculture released a new study that found “greenhouse gas emissions from corn-based ethanol are 39% lower than gasoline.” This significant finding further demonstrates the need to reduce the uncertainty for America’s farmers and the biofuel industry in order to increase domestic production and consumption of this environmentally-friendly and cost-effective biofuel.
In light of these concerns, we respectfully request that you respond to the following questions by May 10, 2019:

1. The number of SREs granted by the EPA rose from 19 in 2016 to 35 in 2017. Why has there been such a significant year-to-year increase in SREs?
2. Has the EPA considered the impact on greenhouse gas emissions from the increased use of SREs?
3. Does the EPA plan on making any adjustments based off the new study released by the USDA?

Additionally, we are aware that the EPA has recently reopened the comment period on a proposed rule that aims to increase transparency within the SRE process. We applaud this move as we strongly support increased access to basic information related to individual SRE petitions that are submitted as well as those who are subsequently granted the SRE.

We look forward to working with you on policies that meet our energy needs, continue to support American job creation and domestic energy production, and reduce greenhouse gas emissions. Thank you for your thoughtful consideration of our concerns and questions. We look forward to your response.

Sincerely,

ADAM KINZINGER
Member of Congress

RODNEY DAVIS
Member of Congress

MIKE BOST
Member of Congress

DARIN LAHOOD
Member of Congress

JOHN SHIMKUS
Member of Congress