
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 148 Session of
2021

INTRODUCED BY WHITE, KAIL, BURNS, HARKINS, KENYATTA, LONGIETTI,
MULLINS, NEILSON, RYAN, SAINATO AND CONKLIN, OCTOBER 12, 2021

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,
OCTOBER 12, 2021

A RESOLUTION

1 Urging the United States Environmental Protection Agency (EPA)
2 to exercise its authority under section 211(o)(7)(A)(i) of
3 the Clean Air Act to revise the nationwide Renewable Fuel
4 Standard ("RFS") updating volume mandates to provide relief
5 to refiners in Pennsylvania, the East Coast and elsewhere,
6 and to implement additional reforms going forward which will
7 allow for the blending of renewable fuels consistent with the
8 original intention of the RFS program, while containing costs
9 for independent refiners.

10 WHEREAS, In the last year, spiking Renewable Identification
11 Number ("RIN") prices and the dramatic reduction in the use of
12 fuel precipitated by the COVID-19 pandemic have devastated
13 United States refiners, leading to refinery closures across the
14 country; and

15 WHEREAS, The EPA has authority to waive the RFS program's
16 renewable fuel requirements "in whole or in part" if the EPA
17 Administrator determines that "implementation of the requirement
18 would severely harm the economy" of a State, a region or the
19 United States; and

20 WHEREAS, Many refineries already struggle with slim margins,
21 and the RFS program's RIN requirements, as well as the manner in

1 which the RIN market operates, are currently inflicting serious
2 economic harm on those businesses; and

3 WHEREAS, Current RFS compliance expenses exceed refineries'
4 annual costs for labor, utilities and maintenance expenses
5 combined, making compliance costs the largest expense for a
6 refinery other than crude oil; and

7 WHEREAS, RINs have dramatically increased from about 14¢ at
8 the beginning of calendar year 2020 to nearly \$2 today,
9 resulting in roughly 30 additional cents per gallon to the cost
10 of making gasoline; and

11 WHEREAS, Harmful effects of the RFS program are especially
12 severe in current market conditions, with the demand for refined
13 products suppressed by the COVID-19 pandemic and not expected to
14 fully recover in the near future; and

15 WHEREAS, The pandemic caused an unprecedented year-over-year
16 decline in the demand for petroleum and other liquid fuels,
17 leading to temporary and permanent refinery closures and other
18 capacity reductions throughout the United States; and

19 WHEREAS, The United States Department of Energy (DOE), Energy
20 Information Administration (EIA) has shown for several years
21 that there is no relationship between RIN price and the amount
22 of ethanol actually blended into the gasoline supply; and

23 WHEREAS, The EIA recently noted that in 2020, 800 million
24 fewer RINs were actually generated than what was required to
25 meet the 2020 RFS standard; and

26 WHEREAS, According to a study performed by the Commonwealth,
27 each refining job in southeastern Pennsylvania has a large
28 multiplier effect on the regional and national economy,
29 supporting an estimated 18.3 jobs in southeastern Pennsylvania,
30 22 jobs across the Commonwealth, and 61 jobs nationwide, many of

1 which are in the skilled-trades; and

2 WHEREAS, Refining and petrochemical industries contribute
3 approximately \$600 billion annually to the national economy and
4 employ over 3 million industrial workers in some 33 states; and

5 WHEREAS, The recent Colonial Pipeline hacking incident has
6 shown the vulnerability of the nation's energy supply and
7 highlights the need to keep our refineries open; and

8 WHEREAS, Governor Tom Wolf has already petitioned the EPA to
9 issue a waiver from RFS volume mandates to address the severe
10 economic harm caused by such mandates; therefore be it

11 RESOLVED, That the House of Representatives of the
12 Commonwealth of Pennsylvania urge the United States
13 Environmental Protection Agency (EPA) to exercise its authority
14 under section 211(o)(7)(A)(i) of the Clean Air Act to revise the
15 nationwide Renewable Fuel Standard ("RFS") updating volume
16 mandates to provide relief to refiners in Pennsylvania, the East
17 Coast and elsewhere; and be it further

18 RESOLVED, That the House of Representatives of the
19 Commonwealth of Pennsylvania urge the Biden Administration and
20 the Environmental Protection Agency to set 2021 and 2022 volumes
21 and reform and restructure the RFS program going forward so as
22 to maintain low and stable RINs prices while allowing for
23 blending of renewable fuels consistent with the original
24 intention of the program.