

United States Senate

WASHINGTON, DC 20510

March 16, 2017

The Honorable Donald J. Trump
President of the United States
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear Mr. President:

We write to strongly urge you to reject changes to the Renewable Fuel Standard that would shift the compliance requirements or the “point of obligation.” We believe such changes are unwarranted and indefensible.

When Congress adopted the Renewable Fuel Standard more than ten years ago, it intended to provide stability for renewable fuel producers that would reduce our reliance on foreign oil, drive investments in the industry and diversify our fuel supply. The Environmental Protection Agency determined that in order to meet this goal, the point of obligation under the program should be placed where transportation fuels are refined or imported to ensure these parties produce the blendstocks necessary to blend renewable fuels. If the point of obligation is shifted downstream, refiners would have little incentive or obligation to make the necessary blendstocks available, leaving downstream entities unable to comply. Moving the point of obligation may eliminate the incentive in the supply chain for purchasing and blending renewable fuels.

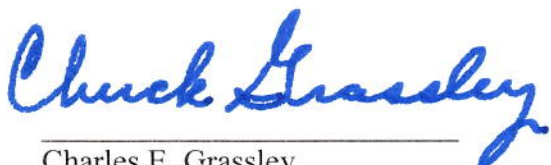
This type of change would not only wholly undermine the intent of the program, but would also result in a massive, costly, time-consuming shift in compliance. Moving the point of obligation to the blender, marketer or retailer would lead to an exponential increase in the number of obligated parties. Many small and mid-sized retailers have no experience with regulatory programs of this nature and smaller businesses, particularly in rural areas, often have limited resources, making compliance a costly and time-consuming task. It would also complicate the administration of the program and unnecessarily result in significant uncertainty and market disruptions.

It should also be noted that changing the point of obligation is broadly opposed. Fuel marketers, retailers, truck stop operators, petroleum producers and renewable fuel producers oppose the change because it would add complexity and uncertainty to the current program and would undermine investments that businesses have made to comply. The overwhelming majority of transportation fuel market participants oppose any change to the point of obligation because it would cause massive disruptions and could lead to higher prices for consumers.

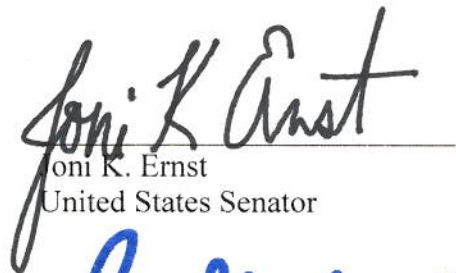
We appreciate the commitment you have made to support the RFS. We strongly urge you to steer clear of administrative changes to the policy that would undermine the program and run contrary to your goals of promoting domestic energy independence and more choices at the pump. We

look forward to working with you to ensure the RFS continues to provide the stability and predictability that is creating jobs and economic growth across the country.

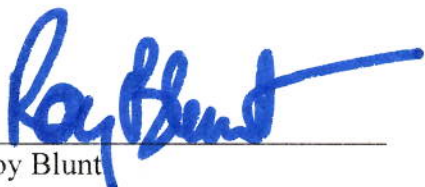
Sincerely,



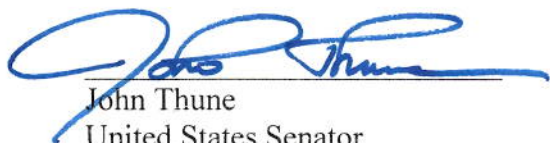
Charles E. Grassley
United States Senator



Joni K. Ernst
United States Senator



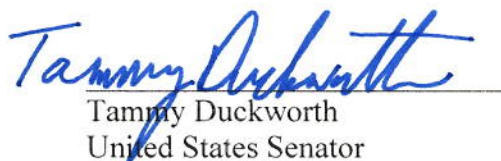
Roy Blunt
United States Senator



John Thune
United States Senator



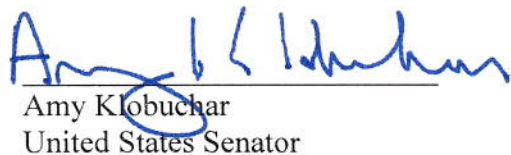
John Hoeven
United States Senator



Tammy Duckworth
United States Senator



Richard Durbin
United States Senator



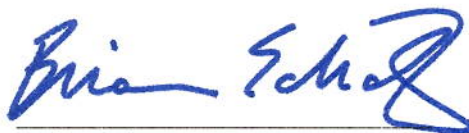
Amy Klobuchar
United States Senator



Debbie Stabenow
United States Senator



Heidi Heitkamp
United States Senator



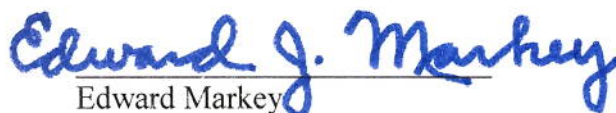
Brian Schatz
United States Senator



Claire McCaskill
United States Senator



Sheldon Whitehouse
United States Senator



Edward Markey
United States Senator



Al Franken
United States Senator



Joe Donnelly
United States Senator



Tammy Baldwin
United States Senator



Jack Reed
United States Senator



Mazie Hirono
United States Senator



Gary C. Peters
United States Senator



Jeanne Shaheen
United States Senator



Jeff Merkley
United States Senator



Michael Bennet
United States Senator