



**COALITION Seeks to Reform the federal Renewable Fuel Standard (RFS).**

**Washington D.C.** - Today, a broad coalition of free-market and center-right organizations are respectfully requesting that Scott Pruitt, Administrator of the Environmental Protection Agency (EPA), reform the Renewable Fuel Standard (RFS) mandate.

President Donald Trump has sent a clear, strong message that economic growth and job creation are top priorities for his Administration. Rescinding the RFS mandate—specifically the “point of obligation” that requires refiners of gasoline to comply with the RFS mandate to blend renewable fuels into the gasoline—would take the federal government out of the business of creating winners and losers in the energy sector. This crony mandate hinders economic growth and stifles innovation.

Under the RFS, a Renewable Identification Number (RIN) is assigned to the blended fuel product.

Major oil companies operating large chains of gas stations and large gas station retailers can blend their gasoline at a significant per-gallon price advantage over smaller, independent retailers. The smaller retailers who sell gasoline, but are unable to blend their own, purchase it at higher prices from the larger oil companies. Mid-size and independent refiners are required to purchase RINs to comply with the RFS from blenders or larger integrated oil companies. RFS plainly favors the large corporate sellers of gasoline over the smaller independent gas stations and smaller refineries.

Moving the “point of obligation” would level the playing field between large oil companies and independent refiners as well as reduce the unfair advantage that the mandate gives large gas station chains over small mom-and-pop gas stations.

The idea that ‘big business’ is synonymous with free markets is an imaginary invention created by the left, and one they have successfully leveraged to grow government and to benefit certain politically

well-connected ‘big business’ interests. Corporatism advances the lobbying and consulting class at the expense of everyday Americans and their economic liberty. The RFS mandate distorts the energy market because it favors some and penalizes others.

Our entire economy depends on the free flow of energy, preferably at market rates, which takes place more efficiently with far less government intervention. The RFS threatens as many as 150,000 American jobs, including truck drivers, steel workers, convenience store clerks and others whose jobs depend on the energy industry.

As the price advantage for larger sellers of gas allows them to undercut the smaller retailers on price, more of the latter are going out of business, leaving consumers fewer choices of where to buy their gasoline. It is inevitable that fewer options will lead to higher prices. By forcing smaller retailers out of business, the RFS is not only unfair to the independent retailers, but it also a silent job killer that threatens thousands of American jobs.

The previous Administration’s corporatist policies ushered in an unprecedented age of hyper-lobbying that promoted partial and partisan interests—saving Wall Street bankers, a failed stimulus package, an auto bailout for union control, the Obamacare fiasco, green energy boondoggles. President Trump promised to grow the economy by doing away with Obama-era cronyism.

Moving the “point of obligation” and reforming the badly broken RFS system and will show that the President is serious about putting America back to work.

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