

Jeff Landry Attorney General

State of Louisiana

DEPARTMENT OF JUSTICE OFFICE OF THE ATTORNEY GENERAL P.O. BOX 94005 BATON ROUGE 70804-9005

May 15, 2020

The Honorable Andrew Wheeler Administrator U.S. Environmental Protection Agency 1200 Pennsylvania Avenue NW Washington, DC 20460 Sent via e-mail: <u>Wheeler.andrew@Epa.gov</u>

Dear Administrator Wheeler:

We write supporting the requests of several governors to waive the renewable fuel program requirements in section 211(0)(2) of the Clean Air Act. Waiving these requirements in times of severe market distress, especially those brought about by a global pandemic, is clearly justified by law and circumstance.

In the immediate response to the COVID-19 pandemic, the federal government began a massive regulatory relief effort. As demand surged for public and private health services, federal agencies quickly waived regulatory requirements to maximize and sustain capacity. Agencies have also used emergency regulatory waivers and powers in the areas of education, student financial relief, and public assistance for housing and nutrition. Unfortunately, economic areas further removed from direct federal involvement still bear unnecessary regulatory burdens.

Chemical refiners are crucial to advanced economies and provide economic support for both states and workers' families alike. These hard-working Americans are named "critical infrastructure workers" by the Cyber and Infrastructure Security Agency, meaning they fill an economic need vital to economic and national security. Unfortunately, the global economy slowdown has decimated demand for oil and refined products, leaving refineries to either drastically cut costs or shut down entirely.

Exercising your authority under section 211(o)(7)(A) would provide meaningful relief to these critical producers supporting a critical workforce. Utilizing your waiver authority "by reducing the national quantity of renewable fuel required" would alleviate the regulatory cost of purchasing credits in the form of renewable identification numbers (RIN). Obligated parties, namely refiners, purchase RIN's to meet requirements set yearly in accordance with consumption forecasts and policy goals. However, when implementing a requirement "would severely harm the economy or environment of a State, a region or the United States", the Administrator is explicitly empowered to waive the requirements. As articulated by the

governors' requests, many States face serious economic harm if these critical workers and businesses are forced to participate in this regulatory market.

Congress intended the renewable fuels program to be transformative, not destructive. If the program threatens the very economies it intends to modify, the Administrator is empowered to take necessary steps to protect the regulated markets by waiving the program's requirements. I urge you to expeditiously grant the requested waivers so our States and their people do not endure financial ruin in the midst of medical pandemic.

Sincerely,

Jeff Landry Louisiana Attorney General

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