



GOVERNORS' BIOFUELS COALITION

- **Minnesota** Gov. Tim Walz, Chair
- **South Dakota** Gov. Kristi Noem, Vice Chair
- **Executive Director**, Larry Pearce

September 4, 2019

The Honorable Donald J. Trump
President
The White House
1600 Pennsylvania Avenue
Washington, DC

Dear Mr. President:

As governors of ethanol producing states, we are extremely concerned by your Administration's actions to continue to grant small refinery hardship waivers under the Renewable Fuel Standard (RFS).

Every waiver EPA approved affects our states. The recent approval of 31 additional small refinery waivers undermines the integrity of the RFS and harms our states' agricultural communities, which have already been affected by the Administration's tariffs. Since 2016, your Administration has issued 85 exemptions, representing a loss of over 4.3 billion gallons of ethanol. We are hearing from farmers and renewable fuel producers that the waivers are the reason an increasing number of renewable fuel plants are closing or idling production.

We are heartened, however, by reports that you will announce a plan to mitigate the effects of the small refinery waivers next week. We respectfully request that you consider the following steps as you develop your plan:

- Request that EPA add the lost gallons to the pending 2020 Renewable Volume Obligations proposed rule.
- Initiate another Biofuels Infrastructure Partnership (BIP) program through USDA so states and private partners can match more federal funds and improve consumer access to renewable fuels.

In addition to addressing these issues, there are several other steps you can take to help expand the market for ethanol. For example, increasing the minimum octane standard in gasoline to create an immediate market for more ethanol and eliminate the need to import octane. You could also direct EPA to enforce the Clean Air Act requirement to replace the aromatic toxics in gasoline, which would allow refiners to use ethanol — a less expensive source of octane.

Farmers, environmentalists, and consumers would all benefit from these actions. We look forward to working with you to find solutions to the impact of the small refinery waivers on the nation's agricultural community and ethanol producers.



Tim Walz, Chair
and Governor of Minnesota



Kristi Noem, Vice Chair
and Governor of South Dakota

cc: The Honorable Andrew Wheeler, EPA Administrator
The Honorable Sonny Perdue, Secretary of Agriculture
The Honorable Doug Hoelscher, Special Assistant to the President, White Office of Intergovernmental Affairs
The Honorable Francis Brooke, Special Assistant to the President for Energy and Environmental Policy
Member Governors