

March 31, 2021

ATTORNEY GENERAL KWAME RAOUL OPPOSES EPA EXEMPTIONS TO RENEWABLE FUEL STANDARD

Chicago — Attorney General Kwame Raoul, as part of a bipartisan coalition of eight attorneys general, today filed an amicus brief supporting several renewable fuel and agricultural associations in their U.S. Supreme Court case challenge to the Environmental Protection Agency's (EPA) award of small-refinery exemptions to the Renewable Fuel Standard (RFS) in 2017 and 2018.

"The EPA's practice of freely granting exemptions to the oil industry threatened to lower the demand for renewable fuels and, in turn, interfered with attempts to reduce carbon emissions," Raoul said. "The EPA must do its job of protecting the environment, and operate with the best interest of the public in mind, not that of the oil industry."

Raoul and the coalition filed the brief in *HollyFrontier Cheyenne Refining, LLC v. Renewable Fuels Association*. The case asks the Supreme Court to decide the EPA's authority to grant small-refinery exemptions to the RFS, which requires increasing the use of ethanol, biodiesel, and other renewable fuels.

The RFS exempted certain small refineries from complying with its requirements to blend renewable fuels into their gasoline or diesel fuel, and gave the EPA authority to extend the exemptions based on disproportionate economic hardship. In 2017, the EPA began granting a surge of small-refinery exemptions that devastated demand for renewable fuels, causing ethanol and biodiesel plants to slow, idle, or close.

A coalition of biofuel associations challenged the award of new exemptions to three small refineries that had not previously and continuously received the exemptions. In January 2020, the 10th Circuit agreed, concluding that the EPA had authority only to grant extensions to a refinery that continuously maintained the exemption.

[In the brief](#), Raoul and the coalition argue that the plain language of the statute limits the EPA's authority to grant the exemption, and the more expansive interpretation pushed by the small refineries would gut the RFS. The coalition also explains that an ineffective RFS would cause substantial economic harm to rural economies, hurt the environment, and hamper efforts to move toward energy independence.

Joining Raoul in the brief are the attorneys general of Iowa, Michigan, Minnesota, Nebraska, Oregon, South Dakota and Virginia.