

# TELL EPA TO FOLLOW THE LAW ON SREs



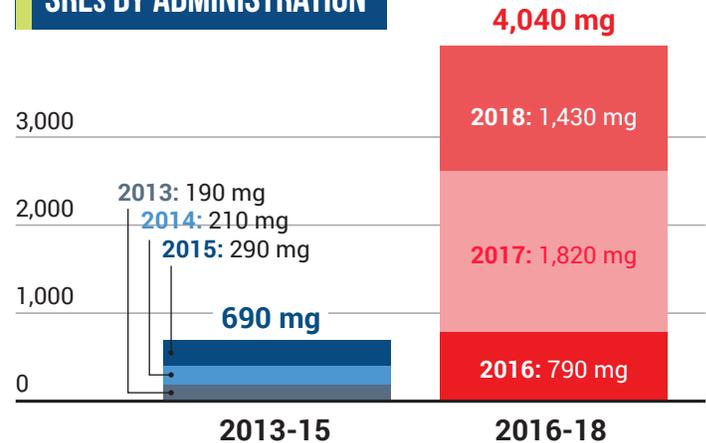
The Trump Administration should do the right thing: accept the 10th Circuit's decision, stand down from challenging the court's ruling, and apply this standard nationwide to put an end to the abusive refinery exemption process.

## COURT DECISION

In January 2020, U.S. Court of Appeals for the 10th Circuit issued a unanimous decision that invalidated small refinery exemptions (SREs) granted by EPA to three refineries in Wyoming and Oklahoma for the 2016 and 2017 compliance years. The court was unanimous in its determination that:

- EPA cannot issue SREs to refineries that had not received SREs in previous years
- Any finding of "disproportionate economic hardship" must be tied solely to compliance with the RFS

## SREs BY ADMINISTRATION



## BIOFUELS STAKEHOLDER REACTION

EPA's radical escalation of small refinery exemptions has resulted in over 4 billion gallons of biofuel demand lost in recent years. As it has done in past Court of Appeals decisions, EPA should apply the 10th Circuit decision nationwide. Challenging the case only creates more uncertainty for farm families and jeopardizes jobs for biofuels workers across the Midwest.

## WHITE HOUSE RESPONSE

Recent news accounts note that at the urging Sen. Ted Cruz, the Trump Administration has plans to challenge the court decision. On March 9th, the Trump Administration was granted an extension until March 24 to decide if it will file an appeal. In the meantime, **EPA may decide to grant some of the pending 23 SREs for 2019 for refineries outside the 10th Circuit.**

## STAKEHOLDER GROUP REACTIONS



"We cannot stress enough how important this decision is to the future of the rural economy and to President Trump's relationship with leaders and voters across the heartland ... We urge the president to stand up now against this misguided effort to torpedo the rural recovery."

— **Statement from  
Agricultural and Biofuel Leaders**  
March 5, 2020

"We do not support the widespread use of small refinery exemptions that distort the marketplace and result in unnecessary costs ... The EPA should move immediately to apply the court's decision nationwide to significantly reduce the number of exemptions going forward."

— **Frank Macchiarola**  
American Petroleum Institute's Senior Vice President of  
Policy, Economics, and Reg. Affairs