



PO Box 15971
Little Rock, AR 72231

February 20, 2017

Ms. Catherine McCabe, Acting Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Ave., NW
Washington D.C. 20460

Re: Proposed Denial of Petitions for Rulemaking to Change the RFS Point of Obligation (EPA-HQ-OAR-2016-0544)

Dear Ms. McCabe:

EmPower Consumers is committed to ensuring a greener future for all Americans. Our core organizational commitments revolve around two concepts: ensuring that all consumers are included and represented in all substantive policy discussions, especially the consumer rate impact of climate change policies; and ensuring that policymakers always consider energy affordability for consumers when crafting new environmental laws. To that end, EmPower Consumers respectfully submits the following comments to Environmental Protection Agency (EPA) regarding its proposed denial of Petitions for Rulemaking to Change the RFS Point of Obligation (EPA-HQ-OAR-2016-0544).

We believe the current execution of the Renewable Fuel Standard (RFS) contributes to a distorted gasoline market that threatens to increase retail gasoline prices, with negative impacts for people all across the United States and has disparate impacts on consumers nationwide, especially in African American and other minority communities.

The RFS program, which was designed with the understandable goal of increasing renewable fuels, has unintentionally incentivized gasoline exports from domestic refineries while upsetting competition among gasoline retailers and handing an advantage to big retail chains over their small-business competitors. Each of these outcomes represents a direct, unintended consequence of the RFS; taken together, they pose a significant potential negative impact for retail gasoline consumers everywhere. Endangering both independent refiners and small retailers combines to create conditions for gasoline process spikes and to threaten small businesses that are primarily minority-owned.

That said, EmPower Consumers initiated an online campaign, [#RefineTheFacts](#), to urge the EPA to address these problems by placing the point of compliance where Renewable Identification Numbers (RINs) are actually generated, thus realigning the market in a manner that reduces market distortions. To date, we have garnered over 6,000 petitions supporting this recommendation.

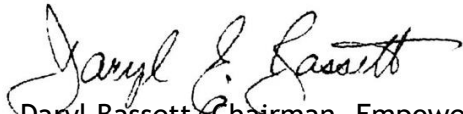
By moving the point of compliance, we address the program's flaws and improve its outcome while preserving the fundamental goals of the program to encourage the use of biofuels in the U.S. gasoline mix. Rather than have refiners and importers of gasoline demonstrate compliance, often through numerous intermediaries, as the program is currently constructed, the government should instead have fuel blenders comply with the RFS. This would eliminate the

current gap between refineries and fuel blenders, deescalate the rampant fraud and speculation that has sadly come to characterize the program, restore fairness to the retail market, and eliminate an incentive for refineries to export fuel from the United States.

While we understand that the EPA placed resources in the record inconsistent with moving the point of obligation, their resources failed to assess the unique impacts that inaction would have on minority and low income communities. As the EPA is aware, the Presidential Memorandum accompanying Executive Order 12898 requires the agency to analyze the “economic and social effects of their proposed actions on minority and low-income communities.” The EPA’s analysis on moving the point of obligation has failed to do so.

EmPower Consumers believes in a green future for everyone. But before we can reach a greener tomorrow, we must take care of our families and communities today who are being harmed by the RFS. We believe the future of America’s energy policies should be shaped by the views, ideas, and needs of the people that call this country home.

Respectfully,

A handwritten signature in black ink, reading "Daryl E. Bassett". The signature is written in a cursive style with a large, sweeping initial "D".

Daryl Bassett, Chairman, Empower Consumers
Former State Regulator, Arkansas