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The chief executives of Valero Energy Corporation, Marathon Petroleum Corporation and Flint Hills Resources sent a letter to President Trump yesterday urging him to avoid actions that would worsen the impacts of federal biofuel policies on U.S. refiners. The leaders of the three companies, which are among the largest producers of ethanol in the United States, also shed light on the real reasons behind the challenging year for ethanol producers and call for reform of the federal [Renewable Fuel Standard \(RFS\)](#) and its biofuel mandates.

Helping companies responsible for nearly 20 percent of America's ethanol supply, the writers are deeply familiar with the workings of the RFS and the real drivers of U.S. ethanol production and consumption. Their letter leaves no question: suggestions by agribusiness interests that [small refinery exemptions \(SREs\)](#) have destroyed demand for ethanol are "simply untrue." This is consistent with data from the U.S. Energy Information Administration, Department of Energy and Environmental Protection Agency, which have concluded that SREs have not negatively impacted demand for ethanol. The writers warn that changes to the RFS suggested by the biofuels community, namely raising the conventional biofuel mandate, "will do nothing to increase domestic ethanol usage, but will only give incentives for more imported biodiesel."

The letter also sheds light on the challenging environment they and other ethanol producers have faced this year from factors including "an oversupplied market, the continuing global trade disputes, and the historic Midwest flooding."

"All of these issues are real for our industry," they say, but "the solution is not to blame a phantom menace — the SREs — and to impose policies that damage the other critical parts of our liquid fuels industry with no discernible benefit for ethanol producers or farmers."

The writers call for reform of the "broken RFS," explaining that "the corn ethanol industry has matured past the point where its opportunities and challenges are dependent on RFS mandates. Corn ethanol is a mature product and a critical low-cost source of octane for the gasoline that our economy relies upon."

Read the full letter [here](#).

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