

Sean McGarvey President

Brent Booker Secretary-Treasurer

Newton B. Jones Boilermakers

Kinsey M. Robinson Roofers

> James P. Hoffa Teamsters

Terry O'Sullivan LiUNA

James Boland BAC

Frank J. Christensen Elevator Constructors

Kenneth E. Rigmaiden Painters and Allied Trades

> James T. Callahan Operating Engineers

Joseph Sellers, Jr. SMART

Lonnie R. Stephenson IBEW

> Eric M. Dean Ironworkers

James P. McCourt Insulators

Daniel E. Stepano Plasterers' and Cement Masons'

Mark McManus

The Honorable Donald J. Trump President of the United States The White House 1600 Pennsylvania Ave, NW Washington, DC 20500

Dear President Trump:

On behalf of the 3 million skilled craft professionals that constitute the 14 affiliates of North America's Building Trades Unions (NABTU), I am writing in support of your Administration's recent actions to grant Small Refinery Exemptions (SREs) to the Renewable Fuel Standard (RFS), without increasing the mandate for other refiners. I also urge you to stay the course and not take actions that could threaten union jobs.

Throughout the Midwest, and in rural parts of our nation, the domestic refining industry provides our members with thousands of high-paying jobs. When refineries invest in major projects or maintenance projects, known as turnarounds, they typically employ an additional 1,000 or more skilled craft workers. These facilities are the linchpin of their community, and of the utmost importance to our members and their families.

Due to your management of the RFS, which includes granting sufficient SREs, RIN prices dropped from over 90 cents in November of 2017 to approximately 11 cents recently. Such cost decreases have alleviated a significant threat to union jobs at merchant refiners.

Merchant refiners do not control biofuel blending for the majority of the fuel produced. They must rely on purchasing RINs – often from their competitors – to comply with the RFS through an unregulated and highly volatile market. Over the last year and a half, as SREs were issued and RIN prices fell, the ethanol blend rate remained robust and production and consumption of domestic biodiesel has increased.

Department of Energy (DOE) data shows the ethanol blend rate is up thus far this year compared to last. Ethanol executives have noted in earnings calls that their fuel is priced lower than gasoline and, thus, competitive regardless of RIN prices. These facts prove that your actions have protected refining jobs.

Value on Display. **EVERY DAY**

nabtu.org | 202.347.1461 | 815 Sixteenth St., NW, Suite 600 | Washington, D.C. 20006-4104

August 22, 2019

The Honorable Donald J. Trump August 22, 2019 Page 2

In light of these factors, we applaud your balanced approach to the RFS thus far, which relies on issuing SREs as legally required by law without increasing the requirement for other refiners. We urge you to continue down this path by lowering the RFS requirements in the final 2020 RFS RVO rule. Such action is necessary to continue to fulfill your campaign promise to protect every manufacturing job.

Regards,

Jean Mi gony

Sean McGarvey President