September 8, 2025

The Honorable Lee Zeldin
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Ave NW, Washington, DC 20004

Dear Administrator Zeldin,

The Louisiana Mid-Continent Oil & Gas Association (LMOGA)[1] and the Texas Oil & Gas Association (TXOGA)[2] write to voice concerns regarding the Environmental Protection Agency's (EPA) recent proposed renewable volume obligations within the Renewable Fuel Standard (RFS) program.[3] While we appreciate EPA's action addressing requests by many stakeholders for a stronger investment signal, these policies, if finalized, will negatively impact our members and undermine President Trump's American Energy Dominance Agenda.

LMOGA and TXOGA welcome conversations with you or your staff to address these issues. Items of concern include the following:

- The EPA has proposed the most aggressive RFS mandate in history. Analysis done by the American Fuel & Petrochemical Manufacturers, a national trade group that represents many LMOGA and TXOGA members, suggests the cost of compliance across the refining industry could be as high as $70 billion, annually.[4]

- The EPA has also proposed limiting credit generation for renewable fuels made in the U.S. using imported feedstocks, even though such feedstocks are essential to meeting the RFS mandate. This restriction, coupled with the increased volume requirements, threatens the economic viability of renewable fuel production in Louisiana, Texas, and across the country. It would raise compliance

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[1] *The Louisiana Mid-Continent Oil and Gas Association (LMOGA) is a trade association formed in 1923 that represents all sectors of the oil and natural gas industry of the second-largest oil-producing and fourth-largest gas-producing State in the nation, Louisiana. The State ranks second in the nation in crude oil refining capacity. LMOGA members operate sixteen refineries and numerous production facilities, natural gas plants, LNG export terminals, compressor stations, pipelines, and product terminals throughout Louisiana. LMOGA members strive to serve the nation's oil and gas needs in a safe, responsible manner.*

[2] *The Texas Oil & Gas Association (TXOGA) is a statewide trade association representing every facet of the Texas oil and gas industry including small independents and major producers. Collectively, the membership of TXOGA produces approximately 90 percent of Texas' crude oil and natural gas and operates the vast majority of the state's refineries, LNG export capacity and pipelines. In fiscal year 2024, the Texas oil and natural gas industry supported over 490,000 direct jobs and paid $27.3 billion in state and local taxes and state royalties, funding our state's schools, roads and first responders.*

[3] U.S. Environmental Protection Agency, *Proposed Renewable Fuel Standard (RFS) Program: Standards for 2026 and 2027, Partial Waiver of 2025 Cellulosic Biofuel Volume Requirement, and Other Changes*, 90 Fed. Reg. 25784 (June 17, 2025), https://www.govinfo.gov/content/pkg/FR-2025-06-17/pdf/2025-11128.pdf.

[4] American Fuel & Petrochemical Manufacturers, *Comment on the Environmental Protection Agency's Proposed Renewable Fuel Standard (RFS) Program: Standards for 2026 and 2027, Partial Waiver of 2025 Cellulosic Biofuel Volume Requirement, and Other Changes (Proposed Rule), EPA-HQ-OAR-2024-0505-0628, page 1* (submitted August 8, 2025), https://www.regulations.gov/comment/EPA-HQ-OAR-2024-0505-0628.

costs for all parties obligated to participate in the RFS, which likely will, in turn, increase the cost of fuel for U.S. consumers.

- Lastly, the EPA has proposed reallocating potentially billions of gallons of small refinery exemption volumes within the RFS to other obligated parties, which is not required by law. This action would cause significant economic harm to refiners operating in Louisiana and Texas due to increased compliance costs.

The issues outlined above share a common consequence: higher costs for the refining industry and likely consumers of liquid fuels at the regional and national levels.

Outside of the issues created by the EPA, Congress has also sent mixed signals, excluding many refiners from eligibility for the 45Z clean fuels tax credit while simultaneously creating a new subsidy for ethanol. Concurrently, tariffs were – rightfully – waived for most energy products and feedstocks, yet, inexplicably, imported renewable feedstocks were excluded from this waiver.[5] This unfairly harms investments made by the refining industry in their efforts to continue producing liquid fuels to comply with the RFS.

Collectively, these policies undermine a strong U.S. refining industry, harm the U.S. consumer, and discourage the investment of LMOGA and TXOGA members in renewable fuels to augment their core business operations. Fuel policy must balance all stakeholders' interests and ensure both reliability and affordability. LMOGA and TXOGA stand ready to work with you to achieve that balance.

Sincerely,

Tommy Faucheux
President
Louisiana Mid-Continent Oil & Gas Association

Todd Staples
President
Texas Oil & Gas Association

[5] Executive Office of the President, *Annex III to the Executive Order on Increasing Duties on Certain Imports* (Apr. 2025), https://www.whitehouse.gov/wp-content/uploads/2025/04/Annex-III.pdf.