AEA AMERICAN ENERGY ALLIANCE®

June 25, 2026

The Honorable John Thune
Senate Majority Leader
United States Senate
511 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Mike Johnson
Speaker of the House
U.S. House of Representatives
521 Cannon House Office Building
Washington, DC 20515

Dear Members of Congress,

We write to urge you to support a Congressional Review Act resolution disapproving of the final Renewable Fuel Standard (RFS) volume mandates for 2026 and 2027, finalized on April 1, 2026, by the Environmental Protection Agency.

As you know, the RFS program, enacted in 2005, mandates blending certain amounts of biofuels into gasoline, which is then sold to consumers. The program was originally intended to reduce dependence on foreign oil; however, U.S. oil production has since increased dramatically, and the United States has become a net exporter of petroleum and refined products.

Nevertheless, each year, the EPA issues renewable volume obligations (RVOs), which are volumetric biofuel targets (denominated in gallons) for obligated parties such as refiners and importers of petroleum-based gasoline or diesel fuel, the cost burden of which is imposed on both manufacturers and consumers.

In March of this year, EPA finalized the largest, most expensive RFS mandate in history, and the single most expensive regulation of President Trump's second term. More specifically, EPA has set the RVO for total renewable fuels at historically high levels: 25.82 billion renewable identification numbers (RINs) in 2026 and 25.98 billion RINs in 2027, up from the respective volumes of 24.02 billion RINs and 24.46 billion RINs included in the proposed rule. EPA goes one step further by taking the discretionary action of reallocating volumes from fuel producers that are exempted from the program to other obligated parties, thereby further burdening American fuel manufacturers. Reallocation is not required by the law, harms non-exempt parties, and does nothing to increase the amount of ethanol used.

For fuel manufacturers, these increased levels will almost certainly result in obligated parties expending all their reserve RINs (routinely banked from the previous year) and cause the cost of

current-year RINs to surge. It is also a distinct possibility that the overly aggressive RVOs embedded in the final rule will lead to situations in which refiners must reduce gasoline production due to an insufficient supply of RINs at prices consumers will bear. For context, the cost per violation for an RVO is $ 37,500 per RIN. This leaves fuel manufacturers with two options: produce fuel at a loss or cut production due to the inability to comply economically with the program. Of course, reductions in refinery production will further raise gasoline prices.

For consumers, this is just icing on the cake of the most expensive regulatory action the EPA has ever taken. Even the EPA's own cost-benefit analysis shows the current RFS program will cost Americans more than $20 billion per year, while offering just $400 million in benefits. If the total RFS compliance costs and the additional costs of mandating the blending of more ethanol than the market can consume are factored in, the true cost to American consumers and refineries is closer to $106 billion over the next two years.

The RVOs for 2026 and 2027 act as a regressive tax on American workers, businesses, and families. At a time when inflation remains a primary concern for constituents, Congress should look to provide relief at the pump, not entrench bureaucratically imposed mandates that inflate fuel costs.

We urge Congress to help American drivers, workers, and families and support a resolution of disapproval under the Congressional Review Act to repeal the RVOs.

Sincerely,

Tom Pyle
President
American Energy Alliance

Grover Norquist
President
Americans for Tax Reform

Stephen Moore
Chairman and Co-founder
Unleash Prosperity

Ben Lieberman
Senior Fellow
Competitive Enterprise Institute

Myron Ebell
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American Lands Council
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Gabriella Hoffman
Director of the Center for Energy and Conservation
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Ryan Ellis
President
Center for a Free Economy

Timothy Lee
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Cameron Sholty
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