

The Renewable Fuel Standard isn't hurting refiners. It is strengthening American energy.

By Geoff Cooper

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The Renewable Fuel Standard (RFS) has powered 20 years of lower gas prices, stronger farms, and greater American energy independence. Yet, in a recent Washington Examiner op-ed, two refinery executives claimed that “the EPA’s proposed expansion of the RFS directly raises gasoline prices and threatens America’s oil refineries.”

That argument is beyond misleading, and the data proves that.

Let’s start with the facts. Ethanol — the primary renewable fuel under the RFS — consistently trades below the price of gasoline blendstock. Independent studies show that ethanol blending drives pump prices down, not up. [A 2023 academic analysis](#) found that between 2019 and 2022, ethanol lowered average fuel prices by 77 cents per gallon, while [a June 2025 Hoekstra Trading report](#) concluded that removing ethanol from the U.S. fuel supply would raise refining and wholesale gasoline costs by 39 cents per gallon — or \$54 billion per year.

Those are hard numbers from energy economists. And the logic couldn’t be more straightforward. Ethanol acts as a low-cost, high-octane component that expands fuel supply and competition, all while reducing dependence on global oil markets and OPEC decisions. In times of geopolitical instability, ethanol serves as a stabilizing force, helping to protect American consumers from global price shocks.

The refinery CEOs also argue that the Renewable Fuel Standard piles on “extreme regulatory costs” that threaten jobs and capacity. The truth is, [refiners have broad flexibility](#) in how they comply. Most simply mix lower-cost ethanol into their gasoline, which fulfills the requirement and lowers their costs. Those that don’t want to do the blending themselves can buy compliance credits from companies that already have — a market-based system that gives refiners choices and rewards efficiency.

And let’s be clear: those compliance costs don’t come out of refiners’ pockets. Multiple independent analyses — including studies from [MIT](#) and [the Environmental Protection Agency](#) — show that refiners recover those costs through normal wholesale pricing. In other words, they pass them along to the gasoline and diesel blenders who buy their refined products, just as they do with every other cost of doing business. Claims that this program is driving refineries out of business are absurd. They ignore both the data and two decades of real-world experience showing that refinery closures are tied to market forces, not renewable fuel policy that has been stabilizing the market for decades.

What’s really at-play is competition. Refiners have historically preferred a closed system where petroleum products dominate the market. The RFS opened that system up, allowing homegrown American fuel producers to compete on a level playing field. That competition

benefits consumers, farmers, and the broader U.S. economy. The ethanol industry now supports [more than 300,000 American jobs](#), contributes \$50 billion annually to GDP, and uses over 5.5 billion bushels of corn grown by U.S. farmers each year.

That's why we strongly support the EPA's proposal to expand the Renewable Fuel Standard. It's a practical and market-driven plan that strengthens domestic production and advances President Trump's pledge to lower fuel prices and restore American energy dominance. The refinery CEOs opposing it are fighting the very "America First" energy vision they claim to support.

Opponents want to pit refiners against farmers, but that's a false choice. America's energy future depends on both.