

# ***Chart of the Week #2025-16***

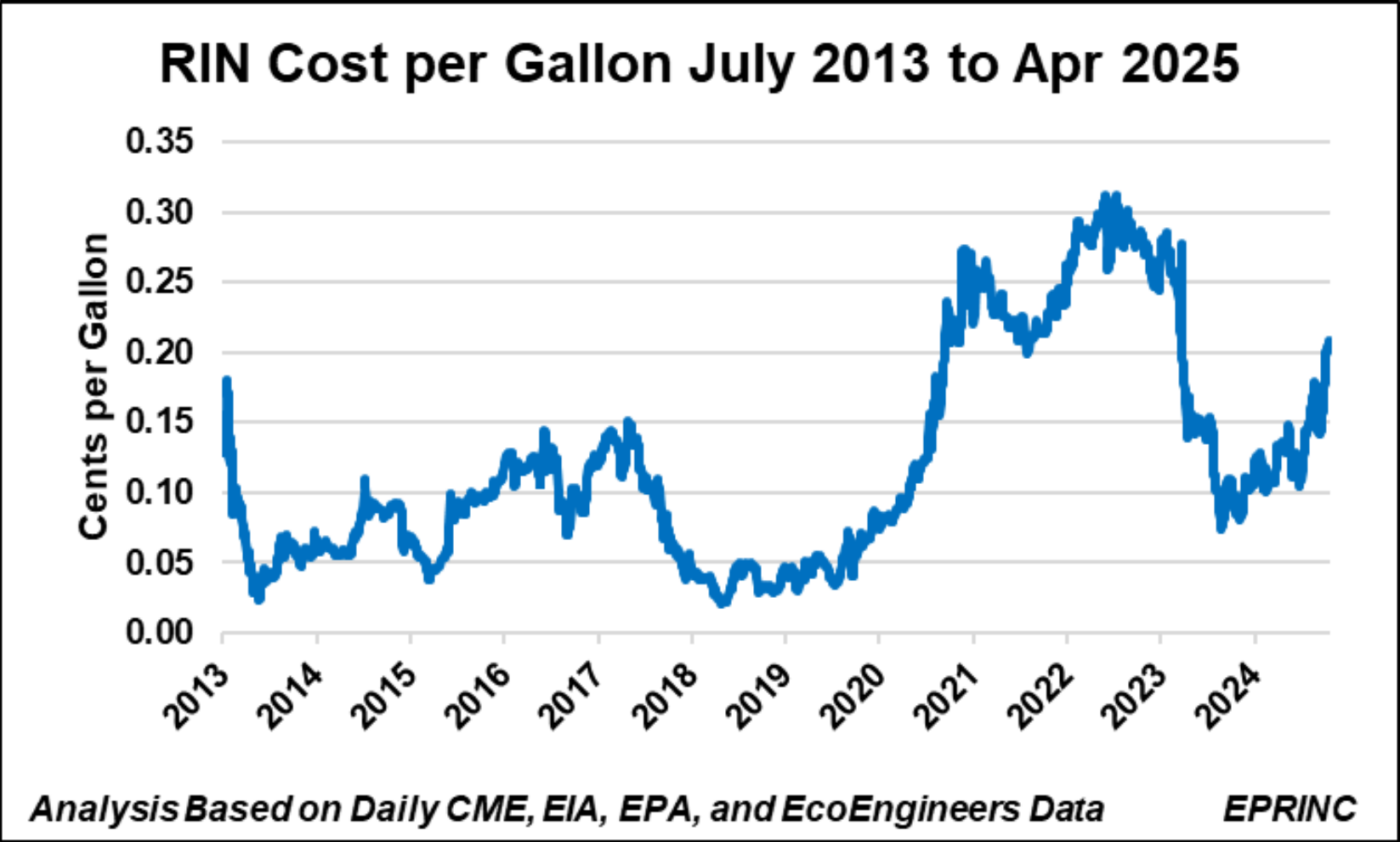
## **The Renewable Fuel Standard (RFS) and Transportation Fuel Prices - Revisited**



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# The U.S. Renewable Fuel Standard (RFS) and Transportation Fuel Prices



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- Under U.S. law (RFS – Renewable Fuel Standard), refiners and importers must meet mandates to include specific volumes of biofuels in the production of transportation fuels. RINs (Renewable Fuel Identification Numbers) are acquired and submitted for compliance.
- The RFS has discretionary policy components that can range from being lax to aggressive. These policies are adjusted by the administration that is in power and affect the price of RINs, whose cost is added to the price of transportation fuels, which are then passed on to consumers.
- During the last four years of the Obama administration, RIN costs trended upward from 5 cents per gallon in 2013 to 15 cents per gallon at the beginning of 2017.
- The first Trump administration reduced RFS requirements through the aggressive use of small refinery exemptions. This led to a drop in the pass-through cost to 5 cents per gallon.
- With the Biden administration, small refinery exemptions were curtailed causing the RIN burden to rise to a range from 25 to 30 cents per gallon. However, late in the administration several biodiesel refineries were built in anticipation of high mandates for renewable diesel blending. The mandates were set lower than expected, leading to a glut of RINs which subsequently drove RIN prices down to a pass-through cost of 8 cents per gallon.
- Some increases in biofuel mandates have taken place since, leading to an increase in RIN prices and therefore, pass-through costs.
- This slide deck is available at: <https://eprinc.org/chart-of-the-week/>
- For more information on this chart, please contact Max Pyziur ([maxp@eprinc.org](mailto:maxp@eprinc.org)).