119TH CONGRESS
1st Session

HOUSE OF REPRESENTATIVES

REPORT
119–267

RESEARCHING EFFICIENT FEDERAL IMPROVEMENTS FOR NECESSARY ENERGY REFINING ACT

SEPTEMBER 11, 2025.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. GUTHRIE, from the Committee on Energy and Commerce, submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 3109]

[Including cost estimate of the Congressional Budget Office]

The Committee on Energy and Commerce, to whom was referred the bill (H.R. 3109) to require the Secretary of Energy to direct the National Petroleum Council to issue a report with respect to petrochemical refineries in the United States, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

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PURPOSE AND SUMMARY

H.R. 3109, the "Researching Efficient Federal Improvement Acts for Necessary Energy Refining Act (REFINER)," was introduced by Rep. Latta (R–OH) on April 30, 2025. H.R. 3109 would require the Secretary of Energy to direct the National Petroleum Council to issue a report on petrochemical refineries in the United States.

BACKGROUND AND NEED FOR LEGISLATION

Refineries play a key role in United States energy security by converting crude oil into petroleum products. The International Energy Agency characterizes petrochemicals as "part of the fabric of our societies."[1] Our daily lives depend on petroleum products across the energy system from transportation fuels to electricity generation to chemical feedstocks.

The U.S. Energy Information Administration (EIA) reported that from 2020 to 2022, refining capacity in the United States decreased by more than one million barrels of fuel per day.[2] Over the same time period, the American Fuel and Petrochemical Manufacturers referred that the number of operable petroleum refineries dropped from 135 to 128 refineries.[3] While there were 132 operable refineries as of January 1, 2025, EIA projects that United States refinery capacity will decrease by about 3% by the end of 2025.[4]

This decline is attributed to the closure of some refineries due to state policies hostile to refining operations. In fact, California could lose 20% of the state's total refining capacity within this year as regulatory and statutory hurdles in the Golden State have become untenable for continued refining operations.[5] As supply falls well below demand, gas prices and foreign imports of refined products will both increase.

Federal policy has also recently been confusing and inconsistent for the future of refineries. The previous Administration repeatedly sent mixed or negative messages about the future for the refining industry. For example, President Biden called on refineries "to take immediate actions to increase the supply of gasoline, diesel, and other refined products," while simultaneously criticizing refineries that "refinery profit margins well above normal being passed directly onto American families are not acceptable."[6] Given that re-

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[1] IEA, *The Future of Petrochemicals*, International Energy Agency, (Oct. 2018), https://www.iea.org/reports/the-future-of-petrochemicals.

[2] Kevin Hack & Julie Harris, *U.S. refinery capacity decreased during 2021 for second consecutive year*, U.S. Energy Information Administration, (June 29, 2022), https://www.eia.gov/todayinenergy/detail.php?id=52939.

[3] AFPM Communications, *Refining Capacity 101: What to Understand Before Demanding "Restarts"*, American Fuel and Petrochemical Manufacturers, (June 6, 2022), https://www.afpm.org/newsroom/blog/refining-capacity-101-what-understand-demanding-restarts.

[4] EIA, *Short-Term Energy Outlook*, U.S. Energy Information Administration (Aug. 12, 2025), https://www.eia.gov/outlooks/steo/.

[5] Julie Johnson, *California could lose 20% of its refining capacity in a single year. Drivers will feel it*, San Francisco Chronicle, (Apr. 18, 2025), https://www.sfchronicle.com/california/article/refinery-closures-gas-prices-20279856.php.

[6] Amanda Garcia, *Biden Sends Letter to Oil Refiners Blasting High Profits Amid Record Gas Prices*, ABC News, (June 15, 2022), https://abcnews.go.com/Politics/biden-sends-letter-oil-refiners-blasting-high-profits/story?id=85410420#:~:text=Gas%20prices%20are%20displayed%20at%20an%20Exxon,Edgewater%2C%20N.J.%2C%20June%2014%2C%202022.%20Mike%20Segar/Reuters.

fineries are already operating at near maximum capacity, policy signals that adversely influence investment certainty are problematic.

Studying refining capacity would allow the federal government to better understand how to increase refining capacity in the United States, thereby unleashing American energy and lowering gasoline prices. The most recent report by the National Petroleum Council on refining was published in 2004, so it is well past time to analyze domestic refining capacity and corresponding challenges.[7]

COMMITTEE ACTION

On April 30, 2025, the Subcommittee on Energy held a legislative hearing on 14 pieces of legislation, including H.R. 3109. The Subcommittee received testimony from:

- Mike Goff, Acting Undersecretary of Energy, U.S. Department of Energy;
- David L. Morenoff, Acting General Counsel, Federal Energy Regulatory Commission;
- Terry Turpin, Director, Office of Energy Projects, Federal Energy Regulatory Commission;
- Jim Matheson, Chief Executive Officer, National Rural Electric Cooperative Association;
- Amy Andryszak, President and Chief Executive Officer, Interstate Natural Gas Association of America;
- Todd A. Snitchler, President and Chief Executive Officer, Electric Power Supply Association and;
- Kim Smaczniak, Partner, Roselle LLP.

On June 5, 2025, the Subcommittee on Energy met in open markup session and forwarded H.R. 3109, without amendment, to the full Committee by a voice vote. On June 25, 2025, the full Committee on Energy and Commerce met in open markup session and ordered H.R. 3109, without amendment, favorably reported to the House by a record vote of 28 yeas and 20 nays.

COMMITTEE VOTES

Clause 3(b) of rule XIII requires the Committee to list the record votes on the motion to report legislation and amendments thereto. The following reflects the record votes taken during the Committee consideration:

[7] Nat'l. Petroleum Council, *Observations on Petroleum Product Supply*, (2004) https://www.npc.org/reports/R-I_121704.pdf.

As of 02/24/2025

COMMITTEE ON ENERGY AND COMMERCE
119TH CONGRESS
ROLL CALL VOTE # 16

BILL: H.R. 3109, Researching Efficient Federal Improvements for Necessary Energy Refining (REFINER) Act

AMENDMENT: Final Passage

DISPOSITION: **Agreed to,** by a roll call vote of 28 yeas and 20 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Guthrie	X			Mr. Pallone		X	
Mr. Latta	X			Ms. DeGette		X	
Mr. Griffith	X			Ms. Schakowsky		X	
Mr. Bilirakis				Ms. Matsui		X	
Mr. Hudson	X			Ms. Castor		X	
Mr. Carter (GA)	X			Mr. Tonko		X	
Mr. Palmer	X			Ms. Clarke		X	
Mr. Dunn	X			Mr. Ruiz		X	
Mr. Crenshaw	X			Mr. Peters		X	
Mr. Joyce	X			Mrs. Dingell		X	
Mr. Weber	X			Mr. Veasey	X		
Mr. Allen	X			Ms. Kelly		X	
Mr. Balderson	X			Ms. Barragán		X	
Mr. Fulcher				Mr. Soto		X	
Mr. Pfluger	X			Ms. Schrier		X	
Mrs. Harshbarger	X			Ms. Trahan		X	
Mrs. Miller-Meeks				Ms. Fletcher	X		
Mrs. Cammack	X			Ms. Ocasio-Cortez			
Mr. Obernolte	X			Mr. Auchincloss		X	
Mr. James	X			Mr. Carter (LA)		X	
Mr. Bentz	X			Mr. Menendez		X	
Mrs. Houchin	X			Mr. Mullin		X	
Mr. Fry				Mr. Landsman	X		
Ms. Lee				Ms. McClellan		X	
Mr. Langworthy	X						
Mr. Kean	X						
Mr. Rulli	X						
Mr. Evans	X						
Mr. Goldman	X						
Mrs. Fedorchak	X						

06/25/2025

OVERSIGHT FINDINGS AND RECOMMENDATIONS

Pursuant to clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII, the Committee held hearings and made findings that are reflected in this report.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

Pursuant to clause 3(c)(2) of rule XIII, the Committee finds that H.R. 3109 would result in no new or increased budget authority, entitlement authority, or tax expenditures or revenues.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII, the following is the cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

H.R. 3109, REFINER Act
As ordered reported by the House Committee on Energy and Commerce on June 25, 2025

By Fiscal Year, Millions of Dollars	2025	2025-2030	2025-2035
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	0	0	0

Increases *net direct spending* in any of the four consecutive 10-year periods beginning in 2036?	No	Statutory pay-as-you-go procedures apply?	No
		Mandate Effects	
		Contains intergovernmental mandate?	No
Increases *on-budget deficits* in any of the four consecutive 10-year periods beginning in 2036?	No	Contains private-sector mandate?	Yes, Under Threshold

H.R. 3109 would require the National Petroleum Council (NPC) to report to the Congress and the Department of Energy (DOE) on petrochemical refineries in the United States. The NPC is a federally chartered and privately funded organization that advises DOE. Accordingly, CBO estimates that implementing the bill would not affect the federal budget.

H.R. 3109 would impose a private-sector mandate as defined in the Unfunded Mandates Reform Act (UMRA) by requiring the NPC to produce a report on petrochemical refineries in the United States. CBO estimates that the cost of compliance would be small and fall well below the threshold established in UMRA for private-sector mandates ($206 million in 2025, adjusted annually for inflation).

The bill would not impose an intergovernmental mandate as defined in UMRA.

The CBO staff contacts for this estimate are Aaron Krupkin (for federal costs) and Brandon Lever (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

PHILLIP L. SWAGEL,
Director, Congressional Budget Office.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII, the general performance goal or objective of this legislation is to require the Secretary of Energy to direct the National Petroleum Council to issue a report on petrochemical refineries in the United States.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII, no provision of H.R. 3109 is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

RELATED COMMITTEE AND SUBCOMMITTEE HEARINGS

Pursuant to clause 3(c)(6) of rule XIII, the following related hearing was used to develop or consider H.R. 3109:

On February 5, 2025, the Subcommittee on Energy held a hearing on H.R. 3109. The title of the hearing was "Powering America's Future: Unleashing American Energy." The Subcommittee received testimony from:

- Amanda Eversole, Executive Vice President and Chief Advocacy Officer, American Petroleum Institute;
- Brigham McCown, Senior Fellow and Director, Initiative on American Energy Security, The Hudson Institute;
- Gary Arnold, Business Manager, Denver Pipefitters Local 208 and;
- Tyler O'Connor, Partner, Crowell & Moring LLP.

On March 5, 2025, the Subcommittee on Energy held a hearing on H.R. 3109. The title of the hearing was "Scaling for Growth: Meeting the Demand for Reliable, Affordable Electricity." The Subcommittee received testimony from:

- Todd Brickhouse, CEO and General Manager, Basin Electric Power Cooperative;
- Asim Haque, Senior Vice President for Governmental and Member Services, PJM;
- Noel W. Black, Senior VP of Regulatory Affairs, Southern Company and;
- Tyler H. Norris, James B. Duke Fellow, Duke University.

On March 25, 2025, the Subcommittee on Energy held a hearing on H.R. 3109. The title of the hearing was "Keeping the Lights On: Examining the State of Regional Grid Reliability." The Subcommittee received testimony from:

- Gordon van Welie, President and Chief Executive Officer, ISO New England;

- Richard J. Dewey, President and Chief Executive Officer, New York Independent System Operator;
- Manu Asthana, President and Chief Executive Officer, PJM Interconnection LLC;
- Jennifer Curran, Senior Vice President for Planning and Operations, Midcontinent ISO;
- Lanny Nickell, Chief Operating Officer, Southwest Power Pool;
- Elliot Mainzer, President and Chief Executive Officer, California Independent System Operator and;
- Pablo Vegas, President and Chief Executive Officer, Electric Reliability Council of Texas, Inc.

On April 9, 2025, the Committee on Energy and Commerce held a full committee hearing on H.R. 3109. The title of the hearing was "The Energy Needs for Advancing American Technological Leadership." The Committee received testimony from:

- Eric Schmidt, Chair, Special Competitive Studies Project;
- Manish Bhatia, Executive Vice President of Global Operations, Micron Technology;
- Alexander Wang, Founder and Chief Executive Officer, Scale AI, and;
- David Turk, Distinguished Visiting Fellow, Center on Global Energy Policy, Columbia University.

On April 30, 2025, the Subcommittee on Energy held a legislative hearing on H.R. 3109. The title of the hearing was "Assuring Abundant, Reliable American Energy to Power Innovation." The Subcommittee received testimony from:

- Mike Goff, Acting Undersecretary of Energy, U.S. Department of Energy;
- David L. Morenoff, Acting General Counsel, Federal Energy Regulatory Commission;
- Terry Turpin, Director, Office of Energy Projects, Federal Energy Regulatory Commission;
- Jim Matheson, Chief Executive Officer, National Rural Electric Cooperative Association;
- Amy Andryszak, President and Chief Executive Officer, Interstate Natural Gas Association of America;
- Todd A. Snitchler, President and Chief Executive Officer, Electric Power Supply Association and;
- Kim Smaczniak, Partner, Roselle LLP.

COMMITTEE COST ESTIMATE

Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

EARMARK, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

Pursuant to clause 9(e), 9(f), and 9(g) of rule XXI, the Committee finds that H.R. 3109 contains no earmarks, limited tax benefits, or limited tariff benefits.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

Section 1 provides a short title of "Researching Efficient Federal Improvements for Necessary Energy Refining (REFINER) Act."

Section 2. Report on petrochemical refineries

Section 2 requires the Secretary of Energy to direct the National Petroleum Council to submit a report on petrochemical refineries within 90 days of enactment. The report must include the contributions of petrochemical refineries to energy security in the United States, the current capacity of refineries, opportunities to expand existing refinery capacity, and risks to petrochemical refineries in the United States. The report must also assess Federal or State executive actions, regulations, or policies that contribute to a decline in refinery capacity.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

This legislation does not amend any existing Federal statute.

MINORITY, ADDITIONAL, OR DISSENTING VIEWS

H.R. 3109 would require the National Petroleum Council (NPC) to submit a report to Congress and the Department of Energy (DOE) on issues faced by petrochemical refineries in the United States. However, by requiring the NPC to write the report, as opposed to DOE, the bill biases the outcome of the process it creates from the start. The NPC is a federal advisory committee comprised of members of the oil and gas industries. Its voice is the voice of the oil and gas industry, not that of a neutral arbiter. This bill would not ask for a neutral analysis—rather, it would ask for the fossil fuel industry's take on an issue that it stands to profit from.

Additionally, the bill continues to exclude the 2015 lifting of the crude oil export ban from the report it requires. That lifting of the export ban was done by statute, not by "Federal or State executive actions, regulations, or policies . . ."[1] that would comprise the scope of the report. In the decade since the ban was lifted, refining capacity along the East Coast has suffered, decreasing by a third, even as gasoline and diesel prices have increased.[2] This bill purports to analyze the drivers of refinery market dynamics but excludes one of the most important factors.

Finally, no discussion of the bill would be complete without pointing out the devastation that the Trump Administration has caused at DOE. Under Secretary of Energy Chris Wright, DOE has lost 3,500 employees to deferred resignations and firings of probationary employees, and could lose even more through future reductions in force.[3] The bill would require the NPC to submit the study to DOE, but it is completely unclear whether DOE would have sufficient staff capacity or resources to do anything about the bill's findings. Any attempt to catalogue potential DOE actions that have harmed the refining sector should, at the bare minimum, ensure that DOE has sufficient resources to act on its recommendations.

For the reasons stated above, I oppose this legislation.

FRANK PALLONE, JR.,
Ranking Member.

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[1] 42 U.S.C. §6212a; H.R. 3109.

[2] Energy Information Administration, *Refinery Capacity Report* (June 20, 2025); Energy Information Administration, *Weekly East Coast All Grades All Formulations Retail Gasoline Prices* (Aug. 26, 2025); Energy Information Administration, *Weekly East Coast No 2 Diesel Retail Prices* (Aug. 26, 2025).

[3] *DOE Clarifies Position on Staffing Departures*, E&E News (May 12, 2025).