
HollyFrontier Cheyenne Refining, LLC v. Renewable Fuels Association, No. 20-472

Introduction: Today, the Supreme Court held in a 6-3 decision that under the Renewable Fuel Program’s fuel-blending requirements for domestic refineries, a small refinery that received an exemption that lapsed nonetheless may obtain an extension of that exemption. The decision restored the exemptions of three small refineries.

Background: The Renewable Fuel Program (RFP) amended the Clean Air Act to require that gasoline sold in the United States include an increasing amount of renewable fuel. The RFP temporarily exempted small refineries from compliance. It further directed the Environmental Protection Agency (EPA) to “extend the exemption” for at least two years if the RFP obligations would impose “a disproportionate economic hardship” on the small refinery. Additionally, the RFP offered the possibility of further relief in future years by providing that a small refinery may petition to extend the exemption due to “disproportionate economic hardship.”

This case concerned the hardship exemptions of three small refineries. The refineries petitioned for and received hardship exemptions, saw them lapse for a period, and then again petitioned for exemptions. EPA granted the exemptions, and a group of renewable-fuel producers objected.

The Tenth Circuit vacated EPA’s decisions, concluding that the small refineries were ineligible for extensions because their exemptions had lapsed.

Issue: Whether, in order to qualify for a hardship exemption under the Renewable Fuel Program, a small refinery needs to receive uninterrupted, continuous hardship exemptions.

Court’s Holding: In an opinion written by Justice Gorsuch and joined by Chief Justice Roberts and Justices Thomas, Breyer, Alito, and Kavanaugh, the Court concluded that EPA did not exceed its statutory authority in granting the small refineries’ extension requests. The Court explained that although “extension” in the statute refers to an increase in time, the Tenth Circuit erred in imposing a continuity requirement. The Court noted that even reading “extension” to mean “continuation” can encompass a resumption after an interruption.

Justice Barrett filed a dissenting opinion, her first, in which Justices Sotomayor and Kagan joined. Justice Barrett wrote that the Court’s holding “caters to an outlier meaning of ‘extend’ and clashes with statutory structure.”

Read the opinion [here](#).