

REFINERS OPPOSING YEAR-ROUND E15 ARE MAKING NEAR-RECORD PROFITS



Key Takeaway

Mid-sized oil refiners trying to block year-round E15 access are the same Fortune 500 companies currently earning near-record profit margins.



\$60 PER BARREL

The 3-2-1 crack spread recently approached **\$60** per barrel – the highest since 2022 and the second-highest ever.



NEAR-RECORD MARGINS

Driven by historically high prices for gasoline and diesel fuel, refiners of all sizes are reaping **some of their highest profit margins ever**, as indicated by the 3-2-1 crack spread.



RIN COSTS RECOVERED

Refiners who buy RIN credits to comply with the Renewable Fuel Standard (RFS) – rather than buying and blending renewable fuels like ethanol – recoup their costs when they sell gasoline and diesel on the wholesale market. **Expanded sales of E15 would drive RIN prices lower.**



FUEL PRICES OUTPACING CRUDE

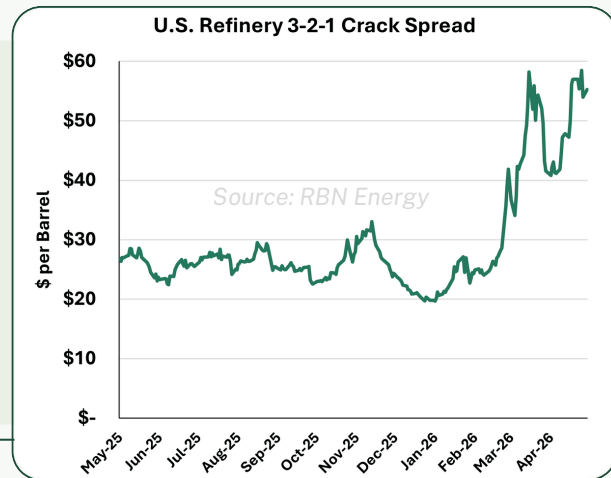
Even though refiners are paying higher-than-usual prices for crude oil, refiners are selling gasoline and diesel for prices that have risen higher and faster than the cost of crude.

SPREAD RECORDS

In recent weeks, the crack spread has reached close to \$60 per barrel – the highest since Russia invaded Ukraine in 2022 and the **second-highest ever**.

WHAT IS THE 3-2-1 CRACK SPREAD?

The 3-2-1 crack spread is an indicator of refinery profitability. It represents the market value of two barrels of gasoline and one barrel of diesel fuel minus the cost of three barrels of crude oil, divided by three.



WHAT THEY'RE SAYING

“We are encouraged by the **refining margin strength** in our regions and believe that we are well-positioned to capture the current market conditions as we head into summer driving season.”

– Steven Ledbetter, HF Sinclair

“**Refinery margins have surged** to levels not seen since the immediate aftermath of Russia's invasion of Ukraine in 2022.”

– Jordan Huggins, Business & Industry Connection

“U.S. Gulf Coast refiners are **reaping the strongest margins** in years as disruptions to Middle Eastern oil flows from the Iran war raise demand for U.S. fuel exports.”

– Reuters

“Refiners are benefiting from **historically high crack spreads**, driving strong margins even as crude oil prices rise.”

– Chris Markock, MarketBeat