



Iowa Renewable Fuels Association

GREEN Team

Grassroots Renewable Energy Network

Newsletter for renewable fuels advocates

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Iowa at Risk of Putting “Cart before the Horse” with Proposed Changes to GHG Regulations

The **Renewable Fuels Association (RFA)** and **Iowa Renewable Fuels Association (IRFA)** joined together to submit comments to the **Iowa Environmental Protection Commission (EPC)** regarding proposed greenhouse gas (GHG) emission amendments to the **Iowa Administrative Code**. Both groups urged the EPC to delay consideration on decisions that would increase the regulatory burden faced by Iowa’s biofuel producers. The groups also argued that rushing to adopt the rules in Iowa may ultimately put the state at odds with federal regulations that are being challenged in the courts.

“Given these pending legal challenges, the state of Iowa should not adopt proposed changes to the state law and revision to its Clean Air Act Implementation Plan that could ultimately make its regulations more stringent than federal regulations. This is precisely what would occur should the EPA Tailoring Rule be stayed or ultimately invalidated,” the comment letter stated.

Another factor which further renders the EPC consideration premature is that **EPA’s Tailoring Rule** failed to exclude biogenic emissions of CO₂. If Iowa were to include EPA’s existing language in its proposed amendments it would conflict with longstanding accounting practices used by the **Iowa Department of Natural Resources**, which acknowledge the carbon neutrality of biogenic emissions from biofuels production.

If the Iowa EPC is unwilling to delay while federal GHG policies are determined, then the commission is encouraged to include provisions that would nullify state policies when the federal Tailoring Rule is stayed or deemed invalid.

Click [here](#) to read the comment letter in full.

Senate Effort to Reinstate Biodiesel Credit Fails Again



Senator Charles
Grassley

The biodiesel industry continues to wait for the return of its subsidy after the **Senate** recently turned back an effort by **Senator Charles Grassley, R-Ia.**, to revive the \$1-a-gallon tax credit as part of a small business bill. Grassley’s move needed 67 votes but received only 41.

Grassley said, “I have confidence that eventually the biodiesel tax incentive will be passed, but I hope it’s not too late for the thousands of people across the country who are already out of work because of the lapse.”

“There is no other way to describe it: Congress as a whole has failed the biodiesel industry,” stated **IRFA Biofuels Manager Grant Menke**. “Even if action is taken during a ‘Lame Duck’ session, Congress will have allowed the tax credit to lapse for a year and the biodiesel industry to wither on the vine. It is unexplainable. Thankfully neither the biodiesel industry, nor our supporters in Congress have given up. We will eventually prevail.”

Biodiesel producers “just need to know one way or another” whether the subsidy will return, said **Michael Frohlich, a spokesman for the National Biodiesel Board**. “It’s the uncertainty that’s really killing the industry at this moment.”

Over 260 days have elapsed since the expiration of the biodiesel tax incentive, resulting in the loss of thousands of jobs supported by the biodiesel industry in Iowa and across the nation.

IRFA Study Confirms Higher Value of Distillers Grains

According to new data, the accuracy of analytical methods in measuring the fat and protein content of distillers grains with solubles (DDGS) were found to be affected by sample particle size. The **Iowa Renewable Fuels Association (IRFA)** commissioned the **National Corn-to-Ethanol Research Center (NCERC)** in Edwardsville, Illinois, to evaluate the affect of particle size on the analysis of crude protein and fat in DDGS. This work was prompted by preliminary findings of a previous IRFA study.



“It was truly serendipity that led to these findings,” said **Randy Ives, chair of the IRFA Co-Products Committee.** “IRFA originally funded

work to determine if near-infrared (NIR) machines could be calibrated to measure distillers grains composition and those findings indicated that the nutrient value analyses of distillers grains may vary based on the grind size of the sample being measured.”

The NCERC study found that particle size of DDGS samples is a statistically significant parameter in analyzing both fat and protein content. Fat measurements were much higher when a sample was ground to pass through a mesh smaller than 1 mm. This sample particle size provides higher availability of fats resulting in a more precise value analysis of crude fats. The protein analyses indicated a slight increase in average composition with decreasing particle size.

“These findings give a more accurate measurement of the fat and protein content of DDGS, placing a higher value on DDGS and giving livestock producers a more complete analysis in determining optimum rations,” Ives said.

As a result of this research, the IRFA has issued recommended test procedure guidelines for distillers grains analysis to determine more precise values of crude fat and protein. The IRFA encourages all laboratories conducting DDGS analysis for the ethanol and livestock industry to consider these guidelines.

The white paper on the Investigation of the Impact of Particle Size on DDGS Proximate Analysis published by the National Corn-to-Ethanol Research Laboratory can be found at <http://iowarfa.org/PDF/NCERCWhitePaper9-10.pdf>.

IRFA Receives Training Grant

The **Iowa Renewable Fuels Association (IRFA)** has received a federal grant to develop and conduct training for employees of ethanol and biodiesel plants. The renewable fuels industry is required by **OSHA, U.S. EPA** and other regulatory agencies to meet certain training standards for compliance.

“There are training needs not currently being met and through this grant we’ll be able to fill those critical gaps,” said **Lucy Norton, IRFA Managing Director.** “By working with IRFA associate members and community colleges, curriculum and training courses will be created for plant personnel to ease the burden of meeting required training standards.”

The IRFA received \$400,000 in funding through the **U.S. Department of Labor and Iowa Workforce Development.** The two-year project will target Process Hazard Analysis, Spill Prevention Pollution Control, Process Safety Management and Risk Management.

Culver Proclaims September is Corn Month



Governor Chet Culver recently signed the September is Corn Month proclamation highlighting corn's value to Iowa. This is the first corn month proclamation that Governor Culver has

Governor Chet Culver signed.

The proclamation declared that:

- Iowa is the top corn producing state and corn has been the dominate crop in Iowa for more than 150 years.
- Corn is used in more than 4,000 everyday products, including food, feed, fuel and fiber.
- Many corn ethanol plants produce 3 gallons of ethanol and 18 pounds of animal feed from each bushel of corn.
- Corn ethanol from Iowa and American reduces our demand for imported oil by nearly 128,000 barrels each day.
- Iowa crop is over 2 billion bushels of corn and contributes \$8.3 billion to the state’s income with 22% of Iowa’s corn crop exported.
- Iowans invest about \$435 million annually in conservation practices to keep their farms productive for future generations

New Engineering Analysis Confirms E15 Safe for Use in Older Vehicles

According to a new comprehensive engineering analysis performed by **Ricardo, Inc**, moving from E10 to E15 will mean little, if any, change on the performance of older cars and light trucks, those manufactured between 1994 and 2000.

The **Environmental Protection Agency (EPA)** is currently considering a fuel waiver request to allow ethanol to be blended up to 15 percent. The Agency has previously stated it expected to approve E15 for 2001 and newer vehicles only.

This study, which analyzed the vehicles manufactured by six companies and which represent 25% (62.8 million vehicles) of light duty vehicles on the road today, concluded “that the adoption and use of E15 in the motor vehicle fleet from the studied model years should not adversely affect these vehicles or cause them to perform in a sub-optimal manner when compared with their performance using the E10 blend that is currently available.”

The Ricardo, Inc. report, prepared for the **Renewable Fuels Association (RFA)** and utilizing acceptable EPA statistical sampling methodology, analyzed a wide variety of findings:

- Changes in EPA emissions regulations during this timeframe increased the tolerance of fuel and vapor handling systems to ethanol blended fuels.
- Vehicles of this vintage were certified by the manufacturers with a high compliance margin.
- Careful review of the effects of exposure from E15 on vehicle driveability, catalytic converter durability and on board diagnostic systems of these model years determined no significant effect from an increase of 5% ethanol.



**Ricardo, Inc.
President Kent
Niederhofer**

Ricardo, Inc. President Kent Niederhofer said: “Older vehicles represent a significant yet previously comparatively under-researched element of the US national vehicle fleet. While many previous studies by Ricardo and others have evaluated the impact of higher ethanol blends on newer vehicles, this study demonstrates for the first time that

raising the blend ceiling to E15 is likely to have a negligible impact on vehicles manufactured between 1994 and 2000.”

To read the full report, click [here](#).

REG Acquires New Mexico Biodiesel Facility from ARES

Renewable Energy Group (REG) and **ARES Corporation** announced REG will acquire biodiesel assets in Clovis, New Mexico from ARES Corporation who will concurrently invest an additional \$8 million into REG in an all common stock transaction.

“In support of RFS2, REG continues to expand its national footprint of production facilities and related logistics to better serve our growing customer base of regional and national businesses,” said **Daniel J. Oh, President and Chief Operating Officer of REG**.

“REG has proven its leadership in the biodiesel industry and is exceptionally well placed to lead the industry recovery,” said **Richard Stuart, ARES Corp. Chief Executive Officer**. “In our new economy we believe the best and most likely place for our investment to succeed is with REG; therefore we are contributing assets and investing anew to help move REG and its efforts forward.”

BIODIESEL TRAINING FOR AUTOMOTIVE TECHNICIANS

To learn about biodiesel and its performance in engines from a mechanic’s view attend a FREE 3-hour class at your community college. This course is in the approval process with the **National Automotive Technicians Education Foundation (NATEF)** to qualify as an **ASE Certified Training Provider of Continuing Automotive Service Education (CASE)**.

Iowa’s Community Colleges in partnership with the **Iowa Biodiesel Board** are offering the classes, along with a meal, in the evenings this fall. The schedule of classes is listed at www.onesourcetraining.com

EPA Approves Canola as Biomass-based Diesel Feedstock

On September 22, 2010, the **Administrator of the Environmental Protection Agency (EPA)** signed a final rule that allows canola oil to qualify as a Biomass-based Diesel feedstock under the **Renewable Fuels Standard (RFS2)**.

The final rule will allow producers or importers of canola oil biodiesel fuel to generate Biomass-based Diesel Renewable Identification Numbers (RINs), providing that the fuel meets other criteria for renewable fuels. In addition, today’s rule includes a new regulatory provision establishing a temporary and limited means for producers or importers of canola oil biodiesel to generate RINs for qualifying biofuel produced or imported between July 1, 2010 and the effective date of this rule.

Higher Blended Ethanol Decision Nears

According to the **Des Moines Register**, government approval for use of a higher blend of ethanol in gasoline could come by mid-October.

By the end of this month, test results on 2007 and newer vehicles will be ready. The **Environmental Protection Agency (EPA)** should decide two weeks later whether to allow those cars and trucks to run on as much as 15% ethanol, a blend known as E15, said **EPA Administrator Lisa Jackson**. The current limit for conventional vehicles is 10% ethanol.

The **U.S. Department of Energy (DOE)** tests on 2001 to 2006 vehicles won't be done until the end of the year. Jackson told the **Senate Agriculture Committee** that that delays a decision on approving E15 for those vehicles. "EPA will be in a position to make a determination" on 2001-2006 vehicles "as we see the data," she said.

"E15 won't be in service stations right away, even if the EPA decides to approve it for 2007 and newer vehicles. A number of federal and state regulations will have to be adjusted to allow for the fuel. But the initial EPA action on the newer vehicles will allow that process to start", said **Chris Thorne, a spokesman for Growth Energy**, an industry group that asked the EPA to permit the use of E15.



EXPORT EXCHANGE 2010
U.S. Grains Council/Renewable Fuels Association
International DDGS and Coarse Grains Marketing Conference
October 6-8, 2010
Hyatt Regency McCormick Place
Chicago, IL
<http://www.grains.org/upcoming-meetings/2548-exports-exchange-2010>

Biodiesel Improves Mineshaft Air Quality

The **Mine Safety Health Administration** has released a report showing how the use of biodiesel in mines significantly improves the air quality in mines. **Hutchinson Salt Company** in Kansas was the first mine of any kind to use B99 biodiesel (a 99 percent biodiesel fuel mix). Since 2003, the company has used between 17,000-30,000 gallons of B99 a year, depending on the demand for salt. Their employees noted cleaner air in the mines within days after the switch to biodiesel. B99 powers all their underground diesel equipment, ranging from loaders to diesel pickups to tractors.

RFA Launches "Right Here, Right Now" Washington D.C. TV Ad

The **Renewable Fuels Association (RFA)** recently launched a television ad on **MSNBC's Morning Joe** news program. "Right Here, Right Now" is an updated ad that highlights the innovative, job-creating engine that is the American ethanol industry. This ad reminds viewers that the answer to a cleaner environment and reducing dependence on foreign oil is available "Right Here, Right Now".



The 30-second ad will air on Morning Joe between September 15th and October 12th in the Washington, DC media market. Morning Joe is a show viewed heavily by policy makers and influentials on Capitol Hill, in the **White House**, and all points in between.

The ad educates viewers that ethanol is an American-made product produced from coast-to-coast. There are over 200 ethanol plants nationwide creating over 12 billion gallons of clean, renewable energy fueling nearly 400,000 jobs across the economy.

"After a historic oil spill off our shores and in the midst of both an economic slowdown and two wars, ethanol has never been more important. Ethanol is creating and sustaining good paying jobs in rural communities where job-creation is especially difficult. Right here, right now is the time for the ethanol industry to tell its story," explained **Bob Dinneen, RFA President and CEO**.

You can view the video [here](#)

E85 Wins Over Electric Vehicles in Fuel Efficiency Challenge

Recently, an educational nonprofit prize organization and a car insurance company awarded an E85 vehicle the top monetary award in a super fuel-efficient vehicle competition. The E85 vehicle received \$5 million while two battery electric vehicles were awarded \$2.5 million each from the **X PRIZE Foundation** and **Progressive Insurance**.

The E85 vehicle, the Edison2 "Very Light Car #98", was the mainstream class winner with a fuel economy of 102.5 miles per gallon equivalent.

Qualified prize competitors will receive funding for access to test facilities through a **U.S. DOE**-funded technical assistance program. "We've seen a shift in the market since we first launched this competition, and a greater awareness by people everywhere to think more seriously about the actions we take, and how they affect our environment," said **Peter Diamandis, Chairman and CEO of the X PRIZE Foundation**.