

May 12, 2009

Air and Radiation Docket
Environmental Protection Agency
Mailcode 6102T
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Docket ID No. EPA-HQ-OAR-2009-0211

The Iowa Renewable Fuels Association, on behalf of its members, strongly encourages the EPA to approve the use of fuel containing up to 15 percent ethanol for use in the nation's legacy fleet.

Iowa currently represents 26 percent of the nation's ethanol refining capacity with 39 plants capable of producing over 3 billion gallons of ethanol. As the largest ethanol-producing state in the country, Iowa has experienced first-hand the economic stimulus of domestically-produced renewable fuels. However, the biofuels industry, like many others, experienced economic hardship in 2008 that idled production and reduced the number of green collar jobs. Boosting demand for renewable fuels through the use of E15 would bring many of these plants back on line, which would add \$308 million to Iowa household income, create 9,100 jobs for Iowans, and increase state tax revenues by more than \$70 million according to one economic study.

Recognizing E15 as an approved fuel blend will put hundreds of thousands of people back to work across the country. According to a North Dakota University study, moving to E15 will create more than 136,000 new green-collar jobs.

Without the ability to blend ethanol at the 15 percent level, the ethanol industry's future is severely hampered. Under the current E10 cap, there is simply no practical way to blend the 36 billion gallons of renewable fuels by 2022 called for in the Energy Independence and Security Act of 2007. Given today's artificial ceiling on ethanol use in most vehicles and the lack of widespread higher blend distribution infrastructure for flexible fuel vehicles, we are only months away from saturating the current ethanol market.

The ethanol blend level should be increased to 15 percent for environmental and energy security purposes. Ethanol blends emit fewer greenhouse gas (GHG) emissions. A recent study by the University of Nebraska found that corn-based ethanol can reduce GHG emissions by as much as 59 percent relative to gasoline. The University predicted that continued innovation in the ethanol industry could further reduce emissions by as much as 67 percent. As a biodegradable, environmentally-friendly fuel, ethanol blends also reduce carbon monoxide tailpipe emissions.

Since the U.S. now imports 60 percent of its daily oil consumption, greater use of ethanol in motor fuel will lessen our dependence on unstable, foreign nations and keep more dollars at home to stimulate our economy.

Numerous scientifically-based studies have been conducted to prove that moving to a 15 percent blend level is totally acceptable. Part of the reason is that E10 and E15 are similar in composition.

A U.S. Department of Energy study, conducted by Oak Ridge National Laboratory, compared E15 to traditional gasoline. They concluded that there were no significant changes in vehicle tailpipe emissions or vehicle drivability. A study conducted by the Energy and Environmental Research Center and Minnesota Center for Automotive Research found that ethanol blends ranging from E10 to E85 were within applicable Clear Air Act Standards. Studies have also been conducted on E20 that showed no fuel-related failures, no significant vehicle problems, no drivability or operational issues plus reduced tailpipe emissions.

A conditional waiver for a limited number of model years is unnecessary. This approach would fail to maximize public benefits (increased use of domestic, renewable fuels, more jobs, and enhanced energy security) while creating unnecessary logistical challenges and consumer confusion.

There are no public benefits from using an arbitrary formula to determine which vehicle models or engine types should be approved or not approved for E15. The Minnesota Center for Automotive Research evaluated the effects of a range of ethanol blends containing up to 30 percent ethanol in 15 different model vehicles in “real world” operating conditions and found absolutely no effect on drivability or fuel system compatibility. The study also measured emissions and reported that exhaust emissions from all ethanol blend levels tested were well below federal standards. These results demonstrate that all legacy vehicles, regardless of model, size, engine type, horsepower, etc. should be approved for operating on E15.

The Iowa Experience. The arguments against approving E15 blends conjure up a bit of déjà vu. Thirty years ago when EPA approved 10 percent ethanol blends, Iowa helped pioneer their commercial introduction. Many of the same issues were raised then as today. Some claimed E10 wouldn't work in lawn mowers, chain saws and other small engines. Others said it would hurt legacy vehicles and void warranties. More time for more testing was demanded. If the EPA had given in to the “chicken littles” 30 years ago, we'd be more dependent on foreign oil, smog and GHG emissions would be worse, and hundreds of thousands of green collar jobs wouldn't exist.

As with any fuel, adoption and universal consumer acceptance takes time. Manufacturers and consumers worked through these issues and now E10 is a ubiquitous part of America's fuel supply.

It's important to remember that approving E15 does not *require* E15, but only *allows* the sale and use of E15. In Iowa nearly every gas station utilizes two storage tanks to offer both E10 and E0. With EPA approval, we would hope most retailers would make E15 available, but either E0 or E10 would likely still be available from the second tank. So for those consumers who, for some reason, "believe" they shouldn't use E15, both E10 and E0 should still be available.

In addition, Iowans are becoming increasingly familiar with ethanol blends exceeding 10 percent. E85 fuel for flex-fuel vehicles has been spreading in availability around the state. Roughly 12 percent of new Iowa vehicle purchases are flex-fuel vehicles. In response, retailers are quickly installing E85 dispensers to meet this need. Some innovative retailers are preparing for future fuel opportunities by installing blender dispensers. This equipment offers consumers more fuel choices for flex-fuel vehicles and provides retailers flexibility. These pioneering retailers can immediately begin offering E15 by reprogramming their dispensers.

The American public has proven to be very adaptable to new fuels. Looking back over the last 30 years, motorists are well healed to changes in what they put in their vehicles, lawn mowers and chain saws. Going from leaded gasoline, to unleaded gasoline, to E10, to reformulated gasoline, to E85 has changed the landscape of how vehicles and equipment are powered. Fuel is a necessity to American society and consumers are savvy enough to adjust.

One way to assist consumers in transitioning to E15 is to adopt Federal Trade Commission (FTC) uniform pump labeling regulations for E15. As requested by the FTC, the IRFA submitted comments on regulations pertaining to Automotive Fuel Ratings as related to dispenser labeling for mid-level ethanol blends. Our members believe that the recently implemented biodiesel labeling requirements serve as an excellent framework for mid-level ethanol blends. For example, a 15% ethanol blend could be labeled "E15: Minimum 15% Ethanol." A copy of the IRFA's letter on this subject is attached.

The IRFA urges EPA to expeditiously rule in favor of the E15 waiver to enable the U.S. to become more environmentally sound and efficient in producing and using domestic, renewable fuels.

Sincerely,

A handwritten signature in black ink, appearing to read "Denny Mauser". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Denny Mauser
President

Attachment