

Iowa Kansas Minnesota Missouri
Nebraska North Dakota South Dakota

September 13, 2016

The Honorable Gina McCarthy
U.S. Environmental Protection Agency (EPA)
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Dear Administrator McCarthy:

As governors of ethanol-producing states, we share common goals of eliminating unnecessary regulatory barriers, strengthening the free market, and expanding consumer choice by increasing access to E15 and higher ethanol blends. We write to ask you to remove a significant regulatory obstacle that is preventing large-scale availability and use of E15 and mid-level ethanol blends.

EPA's disparate handling of E10 and E15 with regard to fuel volatility regulation is stifling the widespread adoption of E15 and mid-level ethanol blends. Today, E10 receives a 1 pound-force per square inch (psi) Reid Vapor Pressure (RVP) waiver during the summer blending season (from June 1 to September 15 each year), while E15 does not receive a 1 psi summertime RVP waiver. This inequitable RVP treatment of E10 and E15 has no scientific basis since E15 and higher blends are lower in volatility than E10 when blended with the same base gasoline.^{1 2} We strongly urge you to take immediate action to establish a volatility regime that allows a uniform gasoline blendstock to be suitable for blending both E10 and E15 (and higher blends) year round.

Currently, more than 300 fuel stations across the U.S. offer drivers the choice of E15, and that number is growing as a result of the USDA Biofuels Infrastructure Partnership and industry efforts such as Prime the Pump. However, the existing number of E15 stations is only a fraction of the more than 150,000 fuel stations nationwide. Station owners tell us that the greatest obstacle to offering E15 is the inequitable RVP regulation of E10 and E15. This unbalanced RVP treatment makes it extraordinarily difficult for retailers in a conventional fuel area to offer E15 year round as a registered fuel (available to all 2001 and newer light-duty, passenger vehicles).

When EPA first proposed its dramatic blending reductions to the Renewable Fuel Standard (RFS) in 2013, the Agency specifically asked that stakeholders suggest "what actions, on the part of government...could be taken to overcome these obstacles and to enable E15 consumption to

¹ "Determination of the Potential Property Ranges of Mid-Level Ethanol Blends—Final Report." American Petroleum Institute. April 23, 2010.

² Anderson, V.F., Anderson, J.E., Wallington, T.J., Mueller, S.A., and Nielsen, O.J. "Vapor Pressures of Alcohol—Gasoline Blends." *Energy & Fuels*, May 21, 2010. Volume 24, pp. 3647-3654.

increase.” Ensuring that the same base gasoline may be blended to create E10 and E15 year round is one step that EPA can take immediately to stimulate a rapid increase in E15 consumption—driving ethanol use well beyond the so-called “E10 blendwall,” and giving more Americans the choice of a cleaner-burning, lower-cost, higher octane, renewable fuel at the pump.

EPA has the statutory authority to eliminate this unnecessary regulatory hurdle. We strongly urge you to act now to correct the unfair RVP treatment for E15.

We would welcome the opportunity to discuss this important issue in greater detail.

Thank you for your consideration.

Sincerely,



Terry E. Branstad
Governor of Iowa



Sam Brownback
Governor of Kansas



Mark Dayton
Governor of Minnesota



Jeremiah W. (Jay) Nixon
Governor of Missouri



Pete Ricketts
Governor of Nebraska



Jack Dalrymple
Governor of North Dakota



Dennis Daugaard
Governor of South Dakota

CC: The Honorable Barack Obama
The Honorable Tom Vilsack
The Honorable Ernest Moniz