

Get the Facts: The Solution to Reid Vapor Pressure (RVP)

What is the situation?

Reid Vapor Pressure (RVP) legislation provides a simple and long-overdue fix that will improve air quality, lower prices at the pump, and level the playing field for homegrown biofuels in markets where drivers want it. Fixing this outdated regulation is good for consumers, retailers and our planet. It will give Americans the freedom to choose cleaner-burning, less expensive biofuel blends and lift regulatory burdens on local fuel retailers so they can offer better options year-round. This vital market incentivizes innovation and investment in new biofuel technologies while reducing our dependence on foreign fossil fuels and lowering our carbon footprint.

What are the benefits of a RVP fix?

Protects our air & environment:

Fuel with higher blends of ethanol – like E15 – reduces emissions, protecting our health and our climate.

- A waiver would allow the sales of cleaner fuels that reduce smog and other harmful pollutants.
- This fix has no impact whatsoever on the ability of states to apply Clean Air Act or state specific fuel regulations.
- Higher ethanol blends reduce emissions of particulate matter and other volatile chemicals.
- Ethanol helps to displace toxic fuel additives associated with cancer and asthma.
- Ethanol cuts carbon emissions by 43 percent compared to gasoline.
- With advancements in technologies, cellulosic biofuels can reduce greenhouse gas emissions by 85-95 percent compared to gasoline.
- Without consumer access to E15, there's little market potential to drive continued innovation in advanced and cellulosic biofuels.

Lifts regulatory burdens on retailers to give consumers more affordable fuel choices:

Lifting confusing summer regulations on retailers will allow them to offer more affordable consumer options at the gas pump year-round.

 E15 saves drivers between 3 and 10 cents per gallon – savings that add up over the year.

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.

—Governor Biofuels Coalition letter to the EPA (September 2016)

Creates stability to drive innovation and investments in advanced biofuels

The RVP fix will create greater certainty in the marketplace, driving investments in new technology.

 Without consumer access to E15, there's little market potential to drive continued innovation in advanced and cellulosic biofuels.

Strengthens America's energy security:

Biofuels play a vital role in protecting America's energy security, and higher ethanol fuel blends like E15 can help build on those benefits.

- Ethanol displaced over 500 million barrels of imported oil in 2016, protecting against price manipulation by hostile nations.
- Every gallon of clean-burning ethanol decreases our dependence on oil one truckload of American ethanol displaces more than 60 barrels of imported oil.



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What do others say?

This fix enjoys broad, bipartisan support on Congress, and even the EPA Administrator Scott Pruitt announced his "hope" for a national fix. The RVP fix is only opposed by those who oppose any competition for fossil fuels, including Carl Icahn.

"Stability and consistency of policy and regulations are critical factors for the long-term planning of any business. They drive innovation and capital investments like the \$36 million investment we just made in our manufacturing facility in Blair, Nebraska. We see a legislative fix to RVP as the strongest signal to continue to spur business and jobs growth and put more money back in American pockets."

-Adam Monroe, President, Americas, Novozymes

"For cellulosic biofuel to be successful in the U.S., we must eliminate artificial regulatory barriers that limit consumer choices and hinder the acceleration of new technologies. The Reid Vapor Pressure limits on E15 stifle market competition and undermine our efforts to bring lower carbon fuels to drivers everywhere. Congress needs to make this technical correction and allow consumers year-round access to higher performing and cooler burning biofuels."

-Jeff Pinkerman, Chairman of POET-DSM Board

"There is no reason for the current RVP burden that blocks retailers, like us, from offering our customers less expensive, earth-friendlier fuel choices year-round. The Consumer and Fuel Retailer Choice Act is a common-sense policy that lifts this decades-old rule to allow fuel retailers to offer E15 during the summer driving season and provide our customers a consistent option at the pump that contains higher octane for a lower price."

-Steve Walk, COO of Protec Fuel

"This long-overdue fix simply holds E15 to the same standard as conventional blends, which means more affordable options for our customers and fewer baseless restrictions on retailers. We plan to add E15 at more than 500 locations in lowa, Minnesota and Wisconsin over the next few years, and we want our customers to benefit from a full array of clean-burning choices all year long. For many drivers, E15 is a smart choice that can help cut costs while delivering more octane and fewer emissions."

-Joel Hirschboeck, General Manager of Fuel Procurement and Marketing of Kwik Trip

"From a retail perspective, this minor fix would be a major relief to those offering E15 today and remove one of the biggest barriers for those wanting to offer E15. For consumers, it will provide for year-round access and increased availability of E15. Given the <u>value proposition</u> of E15, since it typically sells for less than E10 is cleaner burning and higher octane, the consumer should benefit. ... Environmentally, fixing this outdated rule is just common sense. Without the growing demand for E15 in states like West Virginia and Minnesota, there's little market potential to drive further innovation and continued investment in advanced and cellulosic biofuels."

-Mike Lorenz, Executive Vice President for Sheetz

"Updating the RVP waiver for E15 will keep America on the leading edge of clean energy technology, and will also greatly benefit consumers and our planet for many years to come."

25x'25 Alliance

The 25x'25 Alliance is a coalition united behind the goal of securing 25 percent of the nation's energy needs from renewable sources by the year 2025

"Lifting market barriers to higher blends of ethanol would yield immediate public health benefits. Increasing the ethanol content in fuel lowers the concentration of particulates in the air and decreases the level of chemicals, specifically benzene and butadiene, that pose a higher cancer risk."

-Steffen Mueller, PHD, Principal Economist, Energy Resources Center, University of Illinois at Chicago