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GrowthEnergy.org

January 30, 2019

Senator Reuven Carlyle, Chairman Senator Doug Ericksen, Ranking Minority Member Senate Environment, Energy, and Technology Committee 422 J.A. Cherberg Building Olympia, Washington 98504

Dear Chairman Carlyle, Ranking Member Ericksen, and the members of the Senate Environment, Energy, and Technology Committee:

Thank you for this opportunity to comment on SB 5412, legislation that would establish a "Clean Fuel Standard" in Washington.

Growth Energy is the world's largest association of biofuel producers, representing 100 U.S. plants who each year produce more than 8 billion gallons of cleaner-burning, renewable fuel, 89 businesses associated with the production process, and tens of thousands of biofuel supporters around the country. Together, we are working to bring better choices at the fuel pump to consumers, improve air quality and protect the environment for future generations. We remain committed to helping our country diversify our energy portfolio in order to grow more green energy jobs, sustain family farms and drive down the costs of transportation fuels for consumers.

While we appreciate the hard work of Senator Saldaña, Chairman Carlyle, and the committee's attention to reshaping Washington's fuel mix to make it more sustainable, the current legislation raises several important questions regarding the pivotal role that cleaner-burning ethanol blends and cellulosic biofuels will play in the coming decades. Largely, the legislation leaves many of these questions to the sole discretion of the Department of Ecology and misses the opportunity to define a positive role for biofuels moving forward.

Even as electric vehicles continue to gain a greater share of the market, gasoline will remain the predominant transportation fuel for most Washingtonians over several decades. As such, it is imperative to look at ways to improve the availability and affordability of more environmentally sustainable fuel options at the pump today. For example, where the legislation requires expenditures for transportation electrification projects, it should also provide for investment in cellulosic fuel production in Washington state.

According to recent data from the U.S. Department of Agriculture, today's starch ethanol reduces greenhouse gas emissions by an average of 43 percent and with further development of cellulosic technologies, biofuels are poised to do much more. However, as we have seen when other states have

sought to develop low-carbon fuel or clean fuel standards, they have underutilized and underestimated the significant carbon-reducing benefits that ethanol and ethanol blends such as E15 can provide. Specifically, models to measure the carbon intensity of fuel have arbitrarily penalized starch ethanol, including the use of unfounded and largely disproven theories such as indirect land use change.

Unfortunately, as currently written, the legislature vaguely defines carbon intensity modeling and leaves all these determinations and key policy questions solely to the Department of Ecology, and even goes as far as deferring to other states. For example, the legislation should expressly exclude indirect land use change as a model input given its lack of scientific validity. The legislation does not specify a baseline, carbon intensity model, nor even fuels categories, and so it is impossible to know what impact this legislation or program may have on biofuels.

Additionally, by focusing only on greenhouse gas emissions, the Clean Fuel Standard being considered does not account for other significant benefits from the use of ethanol. As has been researched by the University of California-Riverside and the University of Illinois-Chicago, the use of more ethanol and ethanol-blended fuel reduces air toxics such as carbon monoxide, benzene, and other harmful particulates. To fully realize these and other important air quality benefits, there needs to be a clear policy with a firm future for the role and growth of cleaner-burning ethanol fuels.

We would urge the committee to outline a clear policy that recognizes the realities of today's fuel market and to examine how homegrown biofuels can immediately contribute to improving the air quality as well as provide substantial consumer benefits to the people of Washington.

By encouraging the use of higher ethanol blends such as E15 – which can be used in all passenger vehicles model year 2001 and newer, 9 out of 10 vehicles on the road today as well as by using E85 in flex fuel vehicles – the state can immediately see continued reductions in both greenhouse gas and toxic air emissions. Washington has millions of tons of biomass that with further development of cellulosic technologies could be converted to ethanol and used in today's vehicles, but without a clear role for the growth of ethanol, this type of development and investment could be sidelined.

Thank you for the opportunity to comment today and Growth Energy is happy to provide you with any additional information you may need on the important, carbon-reducing role of ethanol in today's fuel.

Sincerely,

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Chris Bliley, Vice President of Regulatory Affairs