

# SETTING THE RECORD STRAIGHT ABOUT ETHANOL



## ETHANOL DOES NOT RELY ON GOVERNMENT SUBSIDIES.

The ethanol industry does not receive subsidies. In fact, ethanol saves taxpayers and consumers money. Tax incentives for ethanol disappeared at the end of 2011.

## THE RFS DOES NOT EXPIRE IN 2022.

The RFS is a successful energy program and does not expire in 2022 — this is a myth perpetuated by those who oppose fuel with higher blends of ethanol. The law does not specify volumes after 2022, but the program does not stop. The statute requires that all volumes post 2022 will be determined by the EPA administrator, based on a review of the prior implementation of the program and six important criteria.

## THE TRADE OF FEDERAL BIOFUEL CREDITS — CALLED RINS — DOES NOT DRIVE UP THE PRICE OF FUEL.

There's no correlation between [Renewable Identification Number](#)<sup>4</sup> (RIN) prices and retail gasoline prices. The RIN market allows oil companies and other ethanol blenders to trade credits and meet their Renewable Volume Obligations.

## DRIVERS KNOW WHICH FUEL TO USE FOR THEIR ENGINE

Every gas station that sells E15 also sells E10, and some stations even offer E0. Having those options at the pump benefits everyone. Additionally, E15 is not currently approved for small engines,<sup>5</sup> and the EPA and FTC require all pumps to be clearly labeled for appropriate use. There is no confusion among motorcyclists: 98% are satisfied with the gasoline they put in their bikes, 96% say finding the right fuel at the pump is easy, and 90% think choice as the pump is important.<sup>6</sup>

## ETHANOL DOES NOT RAISE FOOD PRICES.

The corn used for ethanol production is feed corn — not the kind of corn that we eat. In fact, [ethanol production generates feed for livestock](#),<sup>1</sup> so we're producing food and fuel. A third of every bushel of grain used for ethanol is left over as animal feed heavy in protein and fat, and that product is America's second largest source of animal feed.<sup>2</sup> The cost of energy and transportation is much higher than the cost of physical crops like corn, [according to a World Bank study](#).<sup>3</sup>

The next generation of ethanol uses feedstocks made from agricultural waste, wood, and other biomass.

1 [U.S. Grains Council](#), DDGs

2 [KY Corn](#), Ethanol Technology, April 2019

3 [The World Bank](#), "Review of Environmental, Economic and Policy Aspects of Biofuels", Sept. 2007

4 [Growth Energy](#), "RINs 101: The Basics of Renewable Identification Numbers", July 24, 2018

5 [DOE](#), Alternative Fuels Data Center, April 2019

6 [Growth Energy](#), Motorcyclists Poll, June 2017