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GrowthEnergy.org

March 22, 2019

The Honorable Elaine Chao
Secretary
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Secretary Chao:

On behalf of Growth Energy, the nation's leading organization of biofuel producers and supporters, I write to you about a matter of utmost importance to not only to our industry, but to consumers across the country regarding the rail transportation of American-made biofuels.

It has been reported by several sources that ethanol supplies in several markets in the Rocky Mountain and Pacific Northwest have become very tight and ethanol prices have risen in those markets because of the supply situation. Additionally, markets in Texas are now solely providing finished ethanol-free gasoline, usually sold at a cost of 20-40 cents higher than regular ethanol blended fuel, as a result of these supply disruptions.

This situation is not being caused by a lack of ethanol production or supply at the more than 200 ethanol facilities in the U.S. In fact, the logistics problems these plants face could force plants to reduce production as their storage capacity becomes fully utilized.

While we certainly understand and appreciate that these rail issues have been caused by the calamitous flooding currently occurring in the Midwest, it is imperative that all possible actions be taken by the nation's railroads to ensure that these critical fuel supplies are immediately prioritized and reach markets as quickly as possible. Further delays could not only impact our industry but could ultimately increase fuel costs for American drivers.

We would be happy to work with you and your staff to provide any further information you may need and to get biofuels into the hands of American drivers. If you have any questions, please do not hesitate to contact me.

Sincerely,

Emily Skor
CEO

CC: Ronald Batory, Administrator, Federal Rail Administration
Ann Begeman, Chairman, Surface Transportation Board
Linda Capuano, Administrator, Energy Information Administration
Bill Wehrum, Assistant Administrator, Environmental Protection Agency