

Senate Agriculture Subcommittee on Rural Development and Energy  
“Renewable Energy – Growth and Opportunities for our Rural Economies”

Tuesday, June 22, 2021

E. Skor Oral Testimony As Prepared for Delivery

Chairwoman Smith, Ranking Member Ernst, and distinguished Members of the Subcommittee, I am pleased to speak to you today about biofuels’ vital role in addressing climate change and driving our rural economy.

My name is Emily Skor, I am the CEO of Growth Energy, the nation’s largest ethanol trade association. We represent over half of all U.S. ethanol production, including 92 producer plants and 91 innovative businesses that support biofuel production.

210 biorefineries across 27 states have the capacity to produce more than 17 billion gallons of ethanol, a low-carbon, renewable liquid fuel. We are the second-largest customer for U.S. corn growers; using roughly one-third of the corn crop to produce ethanol and co-products such as high-protein animal feed and corn oil.

Biofuels like ethanol are critical to meeting carbon reduction goals today and well into the future. In fact, studies show there is no path to net-zero emissions by 2050 without biofuels.

EIA projects that gasoline or flex-fuel powered vehicles will make up about 80% of new vehicle sales in 2050, meaning the vast majority of cars on the road will continue to be powered by liquid fuels for decades to come.

We know there is no one-size-fits-all path toward decarbonization, which is why biofuels remain essential to any effective transition away from fossil fuels.

The environmental benefits are clear. Ethanol today reduces greenhouse gas emissions by 46% compared to traditional gasoline.

Moving our nation’s standard fuel from E10 to E15 – a 15 % ethanol blend – will deliver substantial greenhouse gas emission reductions, the equivalent of removing nearly 4 million vehicles from the road each year.

The economic benefits of increased biofuel use are also clear. Our industry supports over 300,000 American jobs, many based in rural communities. Today, Growth Energy is releasing a new study which shows that a nationwide move to E15 will:

- Add \$17.8 billion to U.S. GDP,
- Support more than 182,000 additional jobs,
- Generate \$10.5 billion in new household income, and
- Save consumers \$12.2 billion in fuel costs.

To capture these benefits, expanding market access to higher ethanol fuel blends is one of our top priorities. E15 is currently sold at nearly 2,500 sites in 30 states across the nation. We expand that exponentially by making long-term infrastructure incentives available to fuel retailers.

The BIP and HBIIP programs administered under Secretaries Vilsack and Perdue significantly expanded markets for higher ethanol blends. Any infrastructure package considered by Congress should build upon these successes to further promote investment in low-carbon biofuels.

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We strongly support efforts by those on this subcommittee to provide such infrastructure incentives for E15 and higher blends, particularly Senators Klobuchar and Ernst’s Renewable Fuel Infrastructure Investment and Market Expansion Act.

Growing the share of renewable biofuels in America’s fuel supply is crucial to achieving net-zero emissions and promoting high paying, clean energy jobs in rural America.

To do this, we must have a strong RFS. A recent news report stated that the administration is contemplating RFS relief for refineries that refuse to blend biofuels. Not only would this undercut the growth of homegrown renewable energy—it would also backtrack on explicit promises President Biden made when he was a candidate.

In 2019, President Biden said in Iowa and I quote: “Those waivers are a gigantic mistake...we should not be exempting, we should be insisting that these major oil companies meet the criteria that is set” end quote.

We wholeheartedly agree that refiners should meet their blending obligations. Lowering, waiving, capping, or any backtracking on the promise of the RFS damages our ability to decarbonize our vehicle fleet, threatens large agricultural markets, and jeopardizes hundreds of thousands of good paying jobs supported by the biofuel industry.

Lastly, thank you for your tireless efforts in securing COVID relief for our producers through USDA. This was welcomed news after weathering the most difficult year the industry has ever seen. As we await further direction on how funds will be distributed, we remain grateful for your advocacy efforts.

To close, biofuels ensure that we achieve our nation’s climate goals and strengthen our rural economy. Thank you, and I look forward to any questions you may have.

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