

June 4, 2021

Vice President Kamala Harris
The White House
Office of the Vice President
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Vice President Harris,

On behalf of our members, which include some of our country's largest renewable fuel producers, we are writing to thank you for your efforts to promote U.S. clean energy and environmental partnerships around the world. We encourage you to leverage your upcoming visit to Mexico City and meeting with President Obrador as a mechanism to strengthen the bilateral renewable fuel trading relationship with Mexico.

The United States is home to 210 ethanol plants across 27 states, which can produce more than 17 billion gallons of low-carbon, renewable liquid fuel while supporting 350,000 American jobs along the way. The United States is well-positioned to fulfill renewable fuel market needs within Mexico and adhere to the spirit of the free trade tenets agreed upon in the United States-Mexico-Canada Agreement (USMCA).

As part of USMCA, the three North American countries agreed to work together to improve air quality and recognize the importance of trade and investment in environmental goods, including clean technologies. Ethanol provides Mexico with a clean, affordable option towards meeting these trilateral agreements and reducing North America's carbon footprint. A recent March 2021 study by Environmental Health and Engineering, Inc.¹ found that corn-based ethanol lowers gasoline's greenhouse gas (GHG) emissions by 46%. With this in mind, expanded ethanol use in Mexico serves as a key component for our region's carbon mitigation strategy.

However, we are concerned that Mexico's leadership stalled important renewable fuel reforms. A few years ago, Mexico had committed to reforming its fuel market and began taking steps to implement measures that would allow blends of 10% ethanol (E10) nationwide. However on June 1 of this year, Mexican leadership decided to revert back to a 5.8% blend of ethanol, which essentially closed off the market to U.S. ethanol because our fuel producers are configured to produce blends with E10 and beyond.

This pause has jeopardized the opportunity to strengthen the clean fuels partnership between our two countries. Strengthening this partnership, through the support of E10 in Mexico, would reinforce the Biden Administration's prioritization on building a clean fuels economy and support Mexico's efforts to fulfill its UNFCCC and USMCA clean energy and environment commitments. Enhancing this partnership also bolsters efforts to achieve a cleaner energy economy for North America, which can be supported by American ethanol producers who are committed to being a part of the long-term solution to lessen dependence on carbon intensive sources of fuel.

¹ March 2021 (<https://iopscience.iop.org/article/10.1088/1748-9326/abde08/pdf>)

Also, Mexico still relies on methyl tert-butyl ether (MTBE) as a fuel oxygenate. This substance is a carbon intensive and well-known pollutant which is banned in the U.S. due to its propensity to easily dissolve into water, creating potential to contaminate ground and surface water. MTBE has been found in drinking water sources due to leaking storage tanks and pipelines. Ethanol provides a much cleaner alternative as an oxygenate and octane booster for gasoline.

Creating market opportunities with room for ethanol to grow is a strong example of a win-win policy that would benefit both Mexico and the United States. Our domestic producers are eager to compete globally with high-quality, low-cost renewable fuels that provide significant GHG emission reductions and clean air and water benefits. Having a fungible specification across North America would also have significant economic, supply, and environmental advantages. Mexican leadership can achieve increased cooperation with its North American counterparts and demonstrate its willingness to address commitments made under USMCA.

We urge you and our U.S. government colleagues to engage your Mexican counterparts and encourage their leadership to allow E10 nationwide as soon as possible. Your input during the upcoming visit to Mexico would be greatly appreciated, and we hope you will encourage Mexico to coordinate with the United States with respect to fuel blending decisions.

Thank you for your time and please do not hesitate to reach out with any questions.

Sincerely,



Emily Skor
CEO, Growth Energy



Geoff Cooper
CEO and President, Renewable Fuels Association



Ryan LeGrand
President and CEO, U.S. Grains Council



Jon Doggett
CEO, National Corn Growers Association