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GrowthEnergy.org

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Kevin Allen Associate Director Weights and Measures Arizona Department of Agriculture 1802 West Jackson Street #78 Phoenix, Arizona 85007

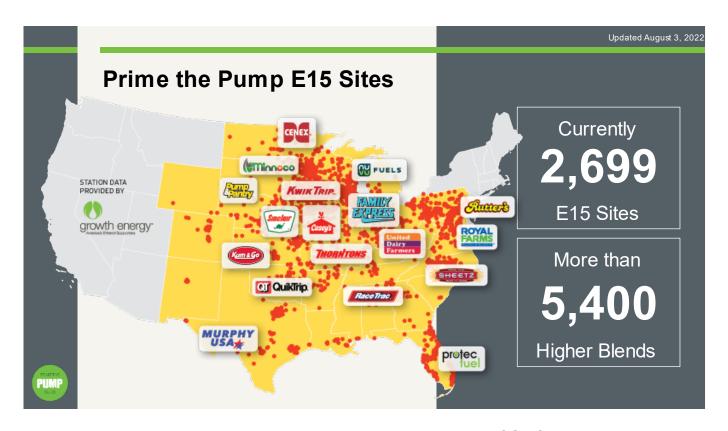
Via electronic mail: kallen@azda.gov

RE: Comments on the Proposed Changes to Allow the Sale of E15 in the Clean Burning Gasoline Area

Dear Mr. Allen:

Thank you for the opportunity to comment on the Department's proposal to allow the sale of E15 in Arizona's Clean Burning Gasoline (CBG) covered area. Growth Energy is the world's largest association of biofuel producers, representing 89 U.S. plants that each year produce more than 8 billion gallons of renewable fuel; 104 businesses associated with the production process; and tens of thousands of biofuel supporters around the country. Together, we are working to bring better and more affordable 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 American energy jobs, decarbonize our nation's energy mix, sustain family farms, and drive down the costs of transportation fuels for consumers.

We strongly support and sincerely appreciate the Department's attention and hard work to revise its regulations to allow the sale of E15, a fifteen percent bioethanol fuel blend. Today, 98 percent of all gasoline sold in the U.S. contains 10 percent bioethanol; E15 is now available at nearly 2,700 retail locations in 31 states and is offered at 103 terminal locations by nearly 400 suppliers and continuing to grow. E15 is approved for all 2001 and newer vehicles representing more than 96% of the vehicle miles traveled on the road today and more than 9 out of 10 cars on the road. Consumers have now driven more than 30 billion miles on E15, and retailers have conducted millions of transactions with this fuel. Earlier this year, E15 was being sold as much as a dollar less per gallon offering drivers significant savings at the pump, and there have been no adverse reports of fuel quality experienced with E15 since first being approved 11 years ago.



E15 also has a proven environmental track record. The University of California-Riverside, in conjunction with the California Air Resources Board (CARB), recently released a report outlining the results of their comprehensive study on E15 that showed significant reductions in harmful air toxics. Specifically, the study found reductions in particulate matter emissions of up to 54%, reductions in carbon monoxide of 17%, and a downward trend in ozone forming potential. Additionally, bioethanol reduces greenhouse gas emissions (GHG) by an average of 46 percent compared to gasoline and can provide even further GHG reductions with additional readily available technologies. In fact, a study by Air Improvement Resources showed that if Arizona moved to use E15 statewide, it could reduce GHG emissions by 363,000 tons per year, the equivalent of taking nearly 80,000 cars off the road annually. These studies bear out that E15 helps to improve air quality.

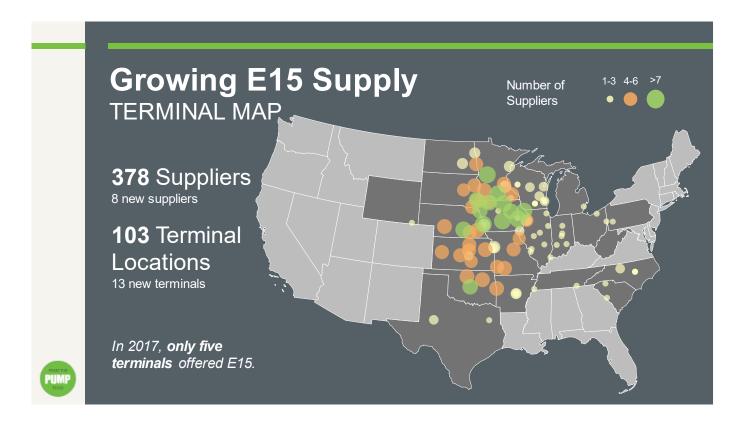
Further, E15 is allowed for sale in nearly all reformulated gasoline (RFG) areas and as part of a recently approved state implementation plan (SIP). The U.S. EPA has allowed 15% bioethanol blending in RFG areas because of E15's emissions and vapor pressure profile. Today, E15 is sold in RFG areas such as Dallas, Houston, and Chicago and is under active evaluation in California. Additionally, the states of Kansas and Missouri have recently removed the low Reid Vapor Pressure (RVP) requirements for the Kansas City metropolitan area, specifically allowing for sale of E15 year-round as part of their SIP revision in 2021. The trend continues for E15 approval in nearly all areas of the country.

¹ University of California-Riverside: <u>E15 Final Report 7-14-22 0.pdf (ca.gov)</u>

² Environmental Research Letters: <u>Carbon intensity of corn ethanol in the United States: state of the science</u> (iop.org)

³ Air Improvement Resources, National E15 Analysis: National E15 Analysis Final (airimprovement.com)

As outlined earlier, E15 is available for sale at 2,700 retail locations and more than 100 fuel terminals. Most retail infrastructure is already approved for the sale of E15 including storage tanks made in the last 30 years, and numerous dispensers. In fact, most underground storage tanks are approved for up to 100% bioethanol, including all steel tanks and all double-walled fiberglass tanks made since 1990.45 For retail dispensers, the bulk of the market is Wayne and Gilbarco, which together account for more than 90% of the US market share of gasoline dispensers. All Wayne dispensers in service today carry a warranty and are compatible with ethanol blends up to 15%.6 Any Gilbarco dispenser installed in 2008 or later carries a warranty for up to 15% ethanol.⁷ Additionally, starting in 2017 all Wayne dispensers are standardized for use up to E25. While most existing infrastructure is already compatible, the U.S. Department of Agriculture has recently announced its third round of funding for its Higher Blend Infrastructure Incentive Program (HBIIP) which will provide \$100 million for retail grants across the country to help accelerate the growth of E15 and other higher biofuel blends. One of the considerations for priority scoring of these grants will be geographic diversity to include Arizona.8



⁴ Steel Tank Institute Statement of Compatibility: Fuels Compatibility Statement (steeltank.com)

⁵ National Renewable Energy Laboratory, E15 and Infrastructure: E15 and Infrastructure (energy.gov)

⁶ Ethanol Producer Magazine, "Many Weigh In on the E15 Waiver Issue", : Many weigh in on E15 waiver issue | EthanolProducer.com

⁷ Gilbarco Expands Dispenser Warranty to E15: Gilbarco Expands Dispenser Warranty to E15 | Convenience Store News (csnews.com)

⁸ U.S. Department of Agriculture, Notice of Funding Opportunity for Higher Blends Infrastructure Incentive Program (HBIIP) for Fiscal Year 2022: 2022-18123.pdf (govinfo.gov)

Growth Energy has worked extensively with retailers, regulators, and others to implement E15 across the country. We appreciate the Department's extensive work on this proposal and look forward to working with you to advance the sale of E15.

Thank you in advance for your consideration.

Sincerely,

Chris Bliley

Senior Vice President of Regulatory Affairs

Growth Energy