



Growth Energy™
Expanding America's Bioeconomy

May 30, 2024

Hon. Louis P. DiPalma
Chair
Senate Finance Committee
82 Smith Street
Providence, RI 02903

Re: S2930 – an act providing a tax credit to individual taxpayers who convert their gas-powered vehicle into a vehicle propelled by an alternative fuel source

Chair DiPalma,

Growth Energy is the world's largest association of biofuel producers, representing 97 U.S. plants that each year produce more than 9.5 billion gallons of cleaner-burning, renewable fuel, 119 businesses associated with the production process, and tens of thousands of biofuel supporters around the country. Together, we remain committed to bringing better and more affordable choices at the fuel pump to consumers, improving air quality, protecting the environment for future generations, sustaining family farms, and driving down the costs of transportation fuels for consumers.

We appreciate the opportunity to provide written testimony for S2930, which provides a tax credit for individual taxpayers who convert their gas-powered vehicle into a vehicle propelled by an alternative fuel source. Growth Energy strongly supports legislation that incentivizes the expanded use of fuels with higher blends of bioethanol. We applaud Rhode Island's efforts to reduce greenhouse gas (GHG) emissions in the state's transportation sector. Biofuels can play a major role in those efforts, as bioethanol emits 46% fewer GHGs compared to gasoline.¹ Bioethanol's other environmental benefits are also noteworthy. As has been researched by the University of California, Riverside and the University of Illinois at Chicago, the use of more bioethanol and bioethanol-blended fuel reduces harmful particulates and air toxics such as carbon monoxide, and benzene.² In other states, where market-based solutions were implemented, e.g. California's Low Carbon Fuel Standard, biofuels such as bioethanol have been among the largest contributors to GHG reductions.³

¹ <https://iopscience.iop.org/article/10.1088/1748-9326/abde08>

² [Comparison of Exhaust Emissions Between E10 CaRFG and Splash Blended E15](https://www.transportationenergy.org/wp-content/uploads/2018/04/UC-Riverside-Study.pdf) and <https://fixourfuel.com/wp-content/uploads/2018/04/UC-Riverside-Study.pdf>

³ https://www.transportationenergy.org/wp-content/uploads/2023/07/Decarbonizing-Combustion-Vehicles_FINAL.pdf

And with as many as 780,000 vehicles in the state capable of fueling up with E15⁴, a more affordable fuel containing up to 15% bioethanol approved by the US EPA in 2011 for vehicles model year 2001 and newer, even those vehicles without having converted their engine can contribute to GHG reductions. Additionally, vehicles capable of running on E85 number more than 43,000 in the state.⁵

More than 100 billion miles has been driven on E15 in the United States since its approval by the EPA. Additionally, in California alone, more than 118 billion gallons of E85 fuel was sold in 2023.⁶ These fuels are being embraced by drivers across the country.

Not only would E15 adoption provide considerable environmental benefits for the state, but Rhode Island drivers would also enjoy lower fuel costs. During the summer of 2023, consumers across the United States saved an average of 16 cents per gallon of E15 compared to E10. In some instances, consumers saved anywhere from 33 to 60 cents per gallon.⁷

Rhode Island has an opportunity to utilize bioethanol as an important GHG reduction tool. If the state replaced E10—the most common blend of gasoline sold in Rhode Island—with E15, nearly 50,000 tons of GHGs emissions would be avoided. This is the equivalent of removing nearly 11,000 vehicles from the roads, all without impacting a single Rhode Island driver.⁸

Unfortunately, despite these readily available fuels being used across the country, there are zero retail fuel sites in Rhode Island offering either E15 or E85.⁹ As the Senate Finance Committee considers S2930, an important bill that incentivizes Rhode Island drivers to adopt environmentally beneficial transportation fuel sources, we encourage the legislature to consider the positive environmental impact of expanding the use of biofuels. While many legacy vehicles owners could take advantage of this tax credit by modifying their vehicle to run on E85, the lack of retail fuel sites in Rhode Island offering E85 discourages those owners from utilizing this opportunity to contribute to the reduction of GHGs.

We respectfully urge the General Assembly to consider policies that encourage the expanded use of fuels with higher blends of bioethanol, as legacy vehicles are expected to be on the road for many years. Expanding access to higher bioethanol blends allows these vehicles to contribute to GHG reductions immediately as future technologies are adopted.

The consideration of biofuels, particularly bioethanol, is a crucial component to carbon emissions reductions as future decarbonization technologies are developed. We hope the committee

⁴ <https://afdc.energy.gov/vehicle-registration?year=2022>

⁵ Ibid

⁶ https://ww2.arb.ca.gov/sites/default/files/2024-03/Annual_E85_Volumes_Chart_3-8-2024.pdf

⁷ <https://growthenergy.org/2023/09/19/summer-savings-with-e15/>

⁸ <http://www.airimprovement.com/reports/national-e15-analysis-final.pdf>

⁹ <https://getbiofuel.com/fuelfinder/>

recognizes the role fuels with higher blends of bioethanol can play in reducing GHGs and providing a more affordable option for Rhode Island drivers. Thank you and we look forward to any questions you may have.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Bliley". The signature is stylized and cursive.

Chris Bliley
Senior Vice President of Regulatory Affairs
Growth Energy