

March 3, 2025

Hon. Paul Anderson Chairman Agriculture Finance and Policy Committee Minnesota State Capitol 75 Rev Dr Martin Luther King Jr Boulevard St. Paul, Minnesota 55155

Chairman Anderson,

Growth Energy is the world's largest association of biofuel producers, representing 97 U.S. plants, including nine in Minnesota, that each year produce 9.5 billion gallons of renewable fuel; 130 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, grow more green energy jobs, decarbonize our nation's energy mix, sustain family farms, and drive down the costs of transportation fuels for consumers.

Promoting the use of biofuels is an important way Minnesotans can contribute to the state's carbon reduction goals. Bioethanol emits 46% fewer GHGs compared to gasoline. 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

We appreciate the unique challenges Minnesota's retail fuel industry faces when having to replace aging infrastructure. Updating fuel dispensing and storage equipment is not always an easy endeavor. Thankfully, Minnesota has proven itself as a national leader in the promotion and use of biofuels. Since 2021, the state's Biofuels Infrastructure Grant Program has awarded 60 grants to fuel retailers, totaling \$9.5 million, to replace infrastructure with equipment capable of storing and dispensing higher bioethanol blends of fuel. The results of these grants have paid off, as recent state data indicates the sale of E15, a fuel containing 15% ethanol also branded as Unleaded 88, hit a record high in 2024.³

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

² Comparison of Exhaust Emissions Between E10 CaRFG and Splash Blended E15

³ https://mnbiofuels.org/unleaded-88-sales-in-mn-reach-new-record-in-2024

While these gains are laudable, there is still more to be done. While the Energy Information Administration's latest data (2022) shows the state's retail fuel location count for gasoline at 2,064 sites⁴, less than one quarter of them offer Unleaded 88 E15 gasoline according to GetBiofuel.com. Increasing the number of retail fuel locations offering E15 is essential to the state's climate goals.



Growth Energy offers its support of House File 43, which increases funding for the Biofuels Infrastructure Grant Program by \$4.5 million for each fiscal year 2026 and 2027. Minnesota is one of only a handful of states that recognizes the biofuels industry's efforts to reduce carbon emissions. Research has shown that Minnesota could reduce its annual greenhouse gas emissions by more than 330,000 tons by replacing E10 with E15. This is the emissions-reduction equivalent of removing more than 72,000 vehicles from the road, without impacting a single driver.⁵

HF 43 makes substantial investments in those carbon emissions reduction efforts through the state's retail fuel industry. It also increases stable access to the domestic fuel market for Minnesota's corn growers, particularly as international markets experience uncertainty and the USDA's 2024 farm income forecast predicted a 24% drop in farm income.⁶

⁴ https://www.eia.gov/state/print.php?sid=MN

⁵ http://www.airimprovement.com/reports/national-e15-analysis-final.pdf

⁶ https://www.usda.gov/sites/default/files/documents/AOF-2024-Litkowski.pdf

We appreciate the opportunity to express our support for HF 43, thank Chairman Anderson for introducing the legislation, and respectfully request the committee's support for the bill. Additionally, we are available to assist the committee with any technical questions.

Sincerely,

Chris Bliley

Senior Vice President of Regulatory Affairs

Growth Energy