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NEW INDUSTRY GROUP PRESSES FOR EPA STUDY OF MID-LEVEL ETHANOL GRADES

A newly formed industry coalition is calling on EPA to conduct careful studies of the environmental and engine impacts of allowing higher grades of ethanol to be mixed in conventional gasoline in response to growing pressure from ethanol proponents to allow the agency to authorize 15- and 20-percent ethanol blends.

The new coalition, the Alliance for a Safe Alternative Fuels Environment (AII SAFE) — which includes the auto, motorcycle, marine, snowmobile and small and large engine sectors — is taking its fight to the Senate this week, in an effort to stave off possible amendments to the pending energy legislation that would mandate increased ethanol blends.

The coalition comes as Minnesota and the Renewable Fuels Association are preparing to petition EPA to waive the agency's current cap, which limits ethanol to 10 percent of gasoline, to allow for a 20-percent blend. Ethanol proponents say the move is essential to ensure increased use of the fuel. However, the proposal is drawing significant opposition from engine manufacturers and their industry partners, who say it could undermine the reliability of many engines (*Inside EPA*, April 27, p1).

EPA is also talking with the Department of Energy (DOE) about allowing 15 percent ethanol, according to an EPA spokesman, who says DOE is taking the lead in those efforts. "EPA continues to have discussions with our federal partners pertaining to the potential for use of greater than E10 blends, including E15 in conventional gasoline-powered vehicles. There are a number of technical issues being discussed."

In an effort to ramp up their concerns, the coalition released a June 13 white paper raising technical issues it says EPA needs to address before proceeding with any waiver to the 10-percent ethanol cap. *Relevant documents are available on InsideEPA.com.*

The white paper's author, Ron Sahu, tells *Inside EPA* that increasing the percentage of ethanol over 10 percent can significantly boost ozone pollution as well cause irrevocable harm to existing engines, which are not designed for the higher grades.

An AII SAFE source adds, "We want EPA to fill the strong leadership role that Congress intended it to play in conducting a meaningful federal review before allowing new fuels into the market."

The outdoor power industry successfully inserted an amendment into the Senate bill under consideration this week that would require DOE, along with EPA and the Department of Transportation, to study the feasibility of ethanol blends between 10 and 40 percent. The amendment, sponsored by Sen. Jim DeMint (R-SC), was adopted during earlier debate in the Senate Energy & Natural Resources Committee and was included in the broad bill introduced by Senate Majority Leader Harry Reid (D-NV).

It requires "an evaluation of the environmental impacts of mid-level ethanol blends on evaporative and exhaust emissions from on-road, off-road, and marine engines, recreational boats, vehicles and equipment" as well as an evaluation of the operational and safety impacts.

In the run-up to a Senate floor vote, the industry is now seeking to "perfect" the amendment by refining the study's requirements, according to a source familiar with the effort who says the DeMint language was drafted quickly and can be improved.

In a new position paper outlining its request to Congress, released June 13, the coalition is also seeking to authorize a \$1 million appropriations for EPA and DOE to study the impacts of mid-level ethanol blends on the environment, engines, consumers and manufacturers.