

The Honorable Pete Ricketts Office of the Governor P.O. Box 94848 Lincoln, NE 68509

Dear Governor Ricketts:

Congratulations on the completion of the State demonstration of E30 Ethanol Blends, and your leadership in making this project a reality. I had the honor of serving on the Nebraska Ethanol Board (NEB) for many years. As a congressional staffer in Washington, DC in the early years of the ethanol industry's development, I vividly recall how the predecessor to the NEB provided the leadership necessary to persuade EPA to approve the first E10 waiver for "gasohol." It is therefore fitting that Nebraska is once again is taking the lead on moving the corn ethanol industry from nationwide E10 to nationwide E30 High Octane Low Carbon fuels. On behalf of the entire industry, thank you for your vision and leadership.

In your original letter to then-EPA Administrator Pruitt, you stated your core objective: "EPA's approval of this request will allow us to demonstrate that these blends improve vehicle performance and do not impair emissions control systems." Your study indeed offers good news: it is the latest in a long line of federal government and private sector demonstrations—all of which were carefully done, and results monitored with state-of-the-art technology. All confirmed that there were no "negative effects on overall vehicle performance." As in the other studies, the finding of the Nebraska study that "Non-FFVs were able to adjust the air-to-fuel ratio (AFR) to adapt to the higher oxygen content of E30" is key. Some of the other studies were conducted by the Oak Ridge National Labs; NREL and EPA with their successful E20 100,000-plus mile demonstration; the <u>Glacial Lakes Energy E30 Challenge</u> multi-million-mile trial; and <u>Brazil's successful E27 national program.</u>

Nebraska's EPA-sanctioned work determined that the cost per mile with E30-fueled vehicles is nearly identical to E10/15, primarily due to E30's higher octane improved performance. Importantly, this occurred without "flashing" or engine optimization—such as increasing compression ratios—which will guarantee significant efficiency increases with E30 high octane blends in the future.



In recent years, you have positively influenced national transportation fuels policy in your leadership roles at the Governors' Biofuels Coalition (GBC). One of the GBC's most important initiatives was to urge <u>EPA to include E30 HOLC fuels in the yet to be finalized SAFE Rule</u>. EPA has all the statutory authority it needs to honor the GBC's request and it can move quickly when it "repeals and replaces" the Trump SAFE Rule. This remains a top priority for the GBC--Governor Walz raised this issue in recent correspondence to President Biden.

The purpose of EPA/DOT's <u>Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule</u> is to increase the manufacturing and use of advanced technology and higher performance, lower carbon fuels in more efficient light-duty vehicles. In its 2019 proposed rulemaking, EPA recognized the ability of higher octane E30 fuel blends to improve engine fuel efficiency and reduce tailpipe carbon emissions. EPA requested comments on how it could encourage such blends in a national fuel standard "<u>consistent with Title</u> <u>II of the Clean Air Act.</u>" The Biden Administration has announced that it would "repeal and replace" the Trump Rule, which fell short of expectations.

As you know, the fuel efficiency rules are largely based on required carbon reductions. Experts at USDA and Argonne National Laboratory <u>have concluded</u> that corn ethanol produced with precision agriculture and other conservation practices can reduce greenhouse gas emissions by 50 percent to 76 percent compared to gasoline. Other experts predict that over the next several years, high-octane, low-carbon, or HOLC, fuels, such as ethanol, will be <u>classified as ultra-low carbon fuels</u>, surpassing the greenhouse gas benefits of vehicles running on electricity produced from coal and natural gas.

The transportation sector, almost completely dependent on gasoline and diesel, is the nation's largest source of greenhouse gas emissions. Adding electric vehicles into the fleet could help over time, but improving the quality of the gasoline we use *now*—more than 100 billion gallons annually—would reap immediate benefits. Higher octane fuels would allow automakers to <u>dramatically increase fuel economy</u> and reduce carbon emissions, benefiting both the environment and public health

In its November 2016 Technical Assessment Review, <u>EPA noted</u> that: "The reduction in CO2 emissions from Tier 3 gasoline is due in part to the reduced carbon content of Tier 3 gasoline relative to Tier 2 gasoline. This is largely due to a reduction in aromatics for Tier 3 gasoline..."



<u>Studies by Ford and others</u> have determined that high-octane gasoline produced with 30 percent ethanol blends would make it possible for automakers to increase fuel efficiency and reduce tailpipe carbon/greenhouse gas emissions by seven percent, saving consumers billions of dollars a year in both fuel and vehicle costs. E30 blends have also been shown to reduce the most harmful ultrafine particulates and black carbon by 45-85 percent.

EPA officials have confirmed that an additional advantage of E30 blends is their greatly reduced volatility. In most cases, E30 blends have the same or lower RVP than E0 blends.

In numerous rulemakings, EPA has <u>acknowledged the important role ethanol's</u> <u>superior high-octane properties</u> have played in this reduction in aromatic content. It is now time for them to honor the mandatory provision in the <u>Clean Air Act</u> and ensure a timely transition to a national 100 RON E30 gasoline standard.

Once again, Governor Ricketts, we sincerely appreciate your vision and leadership. We look forward to working with you and the state of Nebraska in transitioning the nation from today's E10 to tomorrow's E30 high octane, low carbon fuels.

Sincerely,

David Hallberg

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