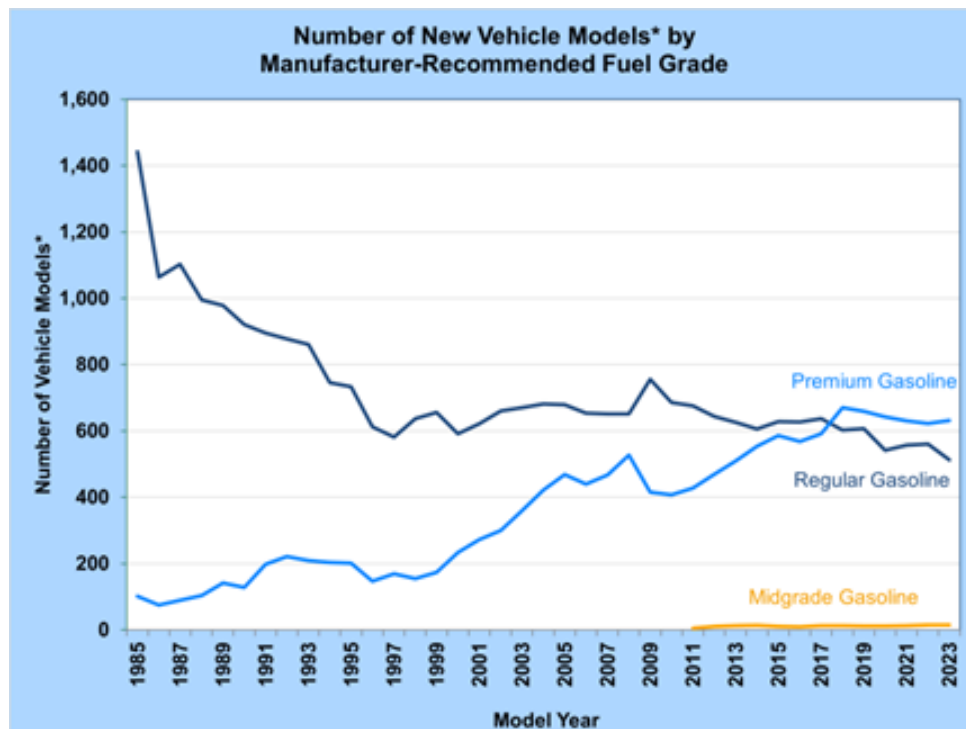


## DOE Report on Premium Fuels Opens Door for Higher Blends

Washington, D.C. August 22, 2024: Need Premium? According to the US Department of Energy we do, and lots of it. The Clean Fuels Development Coalition (CFDC) says higher ethanol blends and the Next Generation Fuels Act is the answer.

New statistics compiled by DOE’s Office of Energy Efficiency and Renewable Energy (EERE) and the Vehicle Technologies Office verify that more than half the new cars sold in 2023 either recommend or require high octane gasoline. Released as part of their ongoing data collection and the “Factoid” series, DOE notes this is not a recent trend but has been the case since 2018. CFDC Executive Director Doug Durante said the need for premium gasoline will only increase as more automakers turn to turbocharging and higher compression engines to increase efficiency.



“This is exactly why the Next Generation Fuels Act that has been introduced in both the U.S. House and Senate is so important,” said Durante. “It would raise the octane level in all gasoline and ensure it is from a clean, low carbon source like ethanol.”

Former Chrysler Director of Regulatory Affairs, and current CFDC Advisory Committee member Reg Modlin said it is important for consumers to use the fuel called for in their owner’s manual.

“When “premium” is recommended, or required, it is because the octane rating of the fuel is needed to achieve the fuel economy performance advertised for the vehicle. While “premium” is more

expensive than “regular”, the good news is that when ethanol is the source of that octane, the cost of the fuel can be at, or, lower than current “regular”! This potentially provides customers a “premium” performance fuel at the price of current “regular,” said Modlin.

Durante noted that the Alliance for Automotive Innovation, the primary trade group for the global auto industry, is on record stating they will need high octane low carbon fuels for the next decade or more. And, he said, with hybrid vehicles now appearing to be something more automakers are supporting rather than battery EVs, liquid fuels will remain the primary fuel used both in the US and globally.

“These high octane blends with ethanol are low carbon and with very minor compression changes, conventional vehicles can meet or exceed the reductions from EVs.”

CFDC analyses of gasoline prices show that the spread between regular 87 octane and premium gasoline at 91 octane or higher can often be more than one dollar per gallon. “Clearly, we are seeing that consumers are often charged more than 25 cents per point of octane when that octane comes from the oil barrel,” said Durante. “E15 increases octane by one point and is consistently priced less than a higher grade without the added ethanol. Imagine what a 20 or 30% blend would do in terms of price.”

He added that the Next Generation Fuels Act would increase the octane in gasoline which would represent a demand for ethanol at levels from 20 to 30% and can be achieved simply by splash blending more ethanol on today’s blendstock.

“Growth Energy, the Renewable Fuels Association, the National Corn Growers and others are all supporting this bi-partisan legislation, and we need to make this a priority. This is a market not dependent on tax incentives or a disruption in the current refueling infrastructure,” said Durante. “It preserves consumer choice in the vehicles they drive while reducing pollution, providing energy security through homegrown fuels, and creating jobs in the ag and refining industries.”

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