

April 29, 2019

Air and Radiation Docket and Information Center
U.S. Environmental Protection Agency
Mailcode: 28221T
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Docket ID: EPA-HQ-OAR-2018-0775

Dear Administrator Wheeler:

On behalf of Iowa farmers and our biofuels industry thank you for keeping President Trump's promise to update Environmental Protection Agency (EPA) regulations to remove the outdated barrier to year-round sales of E15.

Iowans were encouraged by President Trump's announcement last October when he directed the EPA to start the rulemaking process and complete it in time for the summer driving season. To ensure E15 sales are not interrupted, it is critically important the EPA works to complete this rulemaking by June 1, even if it means separating the RIN reforms also proposed in this draft rule.

As you know, E15 is a federally approved high octane fuel blend containing 15 percent ethanol and 85 percent gasoline. But because E15 currently lacks a one-pound psi Reid Vapor Pressure (RVP) waiver, fuel retailers cannot offer E15 to consumers nationwide during the summer driving months. Retailers must go through the costly and unnecessary relabeling of every single E15 dispenser twice a year – once on June 1 and again on September 15. This restriction is outdated, unnecessary, and causes significant disruption and reduction in the availability of E15 to meet consumer demand.

The archaic rule, which previously prevented E15 gasoline sales during the summer months, significantly decreases the demand for corn, and has an unnecessary negative impact on the economies of rural communities throughout Iowa.

I am encouraged that the EPA is proposing a common-sense interpretation of the current RVP statute. I strongly urge this interpretation to remain in the final rule.

I urge the EPA to retain the substantially similar option in the final rule. Testing data supports that E15 is substantially similar to E10 which has been the certified fuel for automakers since 2017.

As Iowa Governor Kim Reynolds testified in March, the RIN reform proposals would ruin the value of ethanol blending for retailers by destroying the value of the D6 RIN. It is unreasonable to require retailers who offer higher blends to sell 100 percent of their RINs every quarter while allowing the obligated entities to purchase only a portion of their compliance volumes (and defer their compliance deadlines for months).

Finally, I urge the EPA to not outlaw the practice of blending E85 with natural gasoline. Governor Reynolds in her testimony noted that the USDA has spent \$100 million dollars on its Biofuels Infrastructure Partnership (BIP) program to increase this specific practice. Iowa ethanol producers and retailers have also invested in blending infrastructure to deliver E15 to consumers. Our own Iowa Renewable Fuel Infrastructure Program (RFIP) has committed over \$32 million since its inception in 2007. The program, administered by my department, uses the appropriations to assist retailers in converting equipment to dispense and store renewable fuels. Iowa will have close to 1,000 E-15 pumps at 200 stations across the state by the end of 2019

The Iowa renewable fuels industry accounts for more than \$5.0 billion (roughly 3 percent) of Iowa's GDP, generating \$2.5 billion of income for Iowa households supporting almost 50,000 jobs throughout the state. Year-round access to E15 represents a long-overdue step toward creating a truly competitive fuel market, where cleaner, lower-cost biofuel blends are available to all consumers. This means stronger markets for farm families across Iowa who have been struggling with ongoing low commodity prices and trade tensions.

Rural communities throughout the heartland are counting on the EPA to get this done. New barriers to E15, in the form of blender pump restrictions and RIN value destruction have no place in the rule. The EPA must ensure the final rule preserves a level playing field for those delivering cleaner, more affordable biofuel blends to consumers.

President Trump made a promise last October and Iowans expect that promise to be kept. I appreciate the EPA for working hard to ensure that this E15 rulemaking can be completed by June 1 when the summer E15 restrictions would otherwise go into effect.

Thank you for the opportunity to submit written testimony on this important matter.

Respectfully submitted,



Mike Naig
Iowa Secretary of Agriculture