



Increased ethanol market demand will help farmers weather poor ag economy

One of IL Corn's 2020 legislative priorities is to:

Pass a low-carbon, high-octane standard for fuel

Why do ethanol blends matter?

- Better fuel (low-carbon, high-octane (LCHO)) is needed now to reduce greenhouse gas emissions and improve fuel economy.
- Ethanol is available now to provide LCHO fuel at least cost to consumers.
- Infrastructure upgrades are in process now and will support an on-time transition to ethanol-based LCHO fuel by 2024.
- EPA is required to assure protection of health of Americans at least cost and best value.

With these principles in mind, the agriculture, ethanol and automotive industries are working together to ensure that these fuels are readily available to provide the best environmental performance in the field to customers by 2024. Policies to enable higher-octane midlevel ethanol blends will signal demand to the market, driving an increase in production of biomass feedstocks and domestically produced renewable fuel.



Feedstocks are ready.

- Renewable fuel feedstock production capacity is abundantly available, total U.S. agricultural land use will not be affected, and crop yield is increasing to the level needed for ethanol to supply 25+% of gasoline for light duty vehicles in decades to come.
- Renewable feedstocks from U.S. agriculture are available to produce increasing volumes of ethanol.



Ethanol is ready.

- Ethanol is available, remains the least-cost octane enhancer and can increase domestically produced renewable fuel volumes immediately to keep pace with consumer demand.
- No major, sweeping capital programs are needed or expected to enable supply of mid-level ethanol blends that will provide higher octane fuels to the market by a 2024 MY timeframe.



Transportation, regional and retail storage, blending, and distribution systems will be ready.

- Distribution of ethanol by rail, truck and pipeline continues to expand with growing demand. Terminals and transport modes can adjust to increasing ethanol blend ratios.
- At-station storage tanks have been compatible with ethanol blends up to E100 for many years. Fuel terminals which store and blend liquid fuels already blend ethanol into over 95% of all U.S. gasoline.
- The transition of aboveground equipment to E25+ compatibility has already begun and will be capable of supplying fuel to all vehicles that can use it by the fall of 2023 as outdated equipment is replaced.

EPA acknowledges that high-octane gasoline can reduce emissions at lower cost when coupled with advancing vehicle combustion technologies. EPA can take steps to enable midlevel blends – including a high-octane, mid-level certification fuel specification.

Without action from US EPA, legislation is needed to establish a low carbon octane standard which eliminates regulatory barriers to higher blends of ethanol.