



June 11, 2018

The Honorable Scott Pruitt
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Subject: Renewables Enhancement and Growth Support Proposed Rule

Dear Administrator Pruitt:

In November 2016, EPA proposed the Renewables Enhancement and Growth Support (REGS) rule. According to the recently issued Unified Agenda, EPA estimates finalizing the REGS rule in November 2018, although your press office recently informed us that EPA does not have a timeline for next steps. If the REGS rule were finalized as proposed, it would codify a ban on E16+ fuel blends in non-flexible fuel vehicles (FFVs). This would unduly restrict use of ethanol's "clean octane" in the U.S. gasoline market, inflicting severe damage on the nation's family farmers, and the public health and welfare. Consequently, we strongly urge you not to finalize this provision in the REGS proposal, and to correct EPA's misinterpretation of the Clean Air Act's "substantially similar" ("sub-sim") provision in section 211(f) regarding higher blends of ethanol.

Last year, the National Farmers Union and a number of its state chapters (Minnesota, Montana, North Dakota, South Dakota, and Wisconsin) submitted the attached comments on the REGS proposed rule which reinforced those of the Urban Air Initiative et al. As explained in these comments, Section 211(f), and EPA's interpretation of the "sub-sim" provision is no longer applicable to limit use of higher blends of ethanol. This is because, since January 2017, when E10 became the nation's certification fuel ("cert fuel"), ethanol is a fuel additive used in certifications. Thus, ethanol blending in the market is no longer controlled by the sub-sim law.

If EPA chooses to regulate ethanol content—i.e., such as prohibiting the use of E30 in legacy (non-FFV) vehicles—it must do so under Section 211(c), which puts the burden of proof on EPA, not the fuel ethanol industry. A vast amount of Department of Energy and national lab (e.g., Oak Ridge, NREL, etc.) studies, as well as real world experience, conclusively proves that the use of high octane mid-level ethanol blends (E25 – E40) in legacy vehicles does NOT impair the performance of emission control systems, nor does it exacerbate harmful emissions. In fact, because mid-level ethanol blends like E30 reduce the level of carcinogenic aromatic compounds (BTEX) in gasoline, and promote more efficient combustion, the opposite is true.

The NFU et al. REGS rule comments document the best available science surrounding the use higher level ethanol blends in legacy vehicles. They also underline EPA's failure to enforce the mandatory Congressional directives in Section 202(l), first enacted in the 1990 Clean Air Act Amendments, and then reaffirmed in EPACT 2005 (which established the first RFS). The most cost effective and environmentally

safe way for EPA to comply with Section 202(l) is to encourage the widespread use of EXX/E30 blends in 98 – 100 RON higher octane gasoline. This is consistent with automakers' requests to support higher octane fuels. Unfortunately, the REGS proposed rule would do the exact opposite—it would prevent their use.

We were encouraged by your recent statements about the importance of considering higher octane gasoline when evaluating changes to the Obama fuel efficiency rule. Higher octane, lower carbon (HOLC) fuels made with mid-level ethanol blends will provide enormous societal benefits, and represent a win-win-win for automakers, consumers, the environment, and farmers. However, finalization of the prohibition of these fuels as proposed in the REGS rule would deprive the nation of such benefits.

For that reason, we respectfully request that you remove the above-referenced provision limiting the use of mid-level ethanol blends from any final REGS rule and issue a new interpretation, clarifying that the Clean Air Act's "substantially similar" provisions for gasoline no longer require a cap on ethanol.

Sincerely,



Roger Johnson
President, National Farmers Union



Doug Sombke
President, South Dakota Farmers Union