

March 10, 2021

The Honorable Zack Stephenson  
House Commerce Finance and Policy Committee  
509 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155

**Re: Supporting HF1433 – Minimum Biofuel Standard**

Dear Chair and Committee Members:

The Minnesota Ethanol Producers Association (MEPA) appreciates the opportunity to share our perspective and voice our strong support for HF1433. We firmly believe that upgrading the state's minimum fuel standards to E15 will greatly benefit Minnesota's economy, environment, and air quality.

MEPA currently represents four POET biorefineries in Minnesota. We are extremely proud of our state's longstanding policy leadership on renewable fuels, especially the distinction of being the first state to require E10. A lot has changed since Minnesota set E10 as its standard fuel back in 1997. Today, bioethanol production is far more dynamic, more efficient, and more sustainable than ever.

First, it is important to recognize that today biorefineries do not just produce ethanol. We also produce nutritious feed, corn oil, renewable CO<sub>2</sub>, dry ice, industrial-grade alcohol, hand sanitizer, and a growing number of renewable products designed to replace petroleum. And we do so using far less water and less energy than fossil fuels.

Bioethanol is continuously improving in efficiency and sustainability. Over the last decade, average water consumption for bioethanol production has been cut in half. Bioethanol plants have also cut energy consumption by 42% industry-wide since 2001. Half of all POET plants now utilize energy-efficient steam-powered turbines that capture excess steam and convert it into renewable electricity.

The latest scientific analysis shows that life cycle greenhouse gas emissions for bioethanol are 46% lower than gasoline and could soon achieve net-zero emissions in the near future. This means that higher biofuel blends, like E15, can immediately cut significant well-to-wheel carbon emissions in vehicles on the road today. That can help Minnesota meet our goal of reducing emissions 80% statewide by 2050. According to a recent study, shifting to E15 in Minnesota could remove 332,000 metric tons of CO<sub>2</sub> annually—the equivalent of removing more than 72,000 vehicles from Minnesota's road each year.

Bioethanol indeed has many environmental benefits, but it is also considerably better for public health. Shifting the state to E15 would improve Minnesota's air quality by dramatically reducing toxic tailpipe emissions. The added bioethanol in E15 replaces some of the most harmful carcinogens and toxic additives in conventional gasoline, including benzene, toluene, and xylene. These chemicals enter our lungs and bloodstream and are linked to an increased risk of cancer, childhood leukemia, respiratory disease, and numerous other serious health issues.

Higher bioethanol blends, like E15, can save money for consumers. The facts show that E15 saves drivers 3 to 10 cents per gallon each time they fill up. Virtually every Minnesotan can enjoy that savings because E15 is approved for use in 9 out of 10 cars, trucks, and SUVs on the road today.

Shifting Minnesota's fuel standard from E10 to E15 would set a level playing field for all fuel retailers, and it's a transition that has already started. In most cases, existing E10 infrastructure can accommodate E15. According to numerous reports by the National Renewable Energy Laboratory, U.S. Department of Energy, U.S. Environmental Protection Agency, Steel Tank Institute, and Fiberglass Tank and Pipe Institute, nearly all underground storage tanks made in the last 30 years are approved up to 100% ethanol, and most fuel dispensing equipment is already manufacturer-approved for E15.

Since the 1980s petroleum equipment manufacturers have offered compatible products for blends above 10% ethanol, including storage tanks, piping, valves, hanging hardware, dispensers, hoses, and nozzles, as standard equipment. Both major gasoline dispenser manufacturers – Wayne and Gilbarco – warranty their base equipment up to E15. While many of Minnesota's leading independent retail fuel chains now offer E15, setting it as the standard would encourage oil-branded stations to offer cleaner fuel to their customers.

Last, but equally important, shifting Minnesota's fuel standard to E15 will support family farms, rural jobs, and economic growth across Greater Minnesota. An E15 standard would ensure dependable in-state demand and stable commodity prices for locally grown grain, helping improve the balance sheet for Minnesota's family farmers. In fact, shifting the state from E10 to E15 would drive demand for an additional 52.8 million bushels of grain from Minnesota farm families each year. Predictable demand growth for E15 would also support thousands of good-paying green jobs, attract new capital investment, and generate additional tax revenues in rural communities across our state.

The Minnesota Ethanol Producers Association extends our thanks to the sponsors of this important, forward-thinking legislation. We believe that shifting the state's standard fuel to E15 in the near term would benefit all Minnesotans, and we respectfully ask members of the committee to support HF1433.

Sincerely,

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