

May 15, 2014

Honorable Joseph R. Biden, Jr.
Vice President
United States of America
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. Vice President:

You campaigned in Iowa in 2007 and 2008 as a strong champion of the bipartisan, common sense Renewable Fuel Standard – a law that has helped reduce America’s dependence on foreign oil while creating jobs and lowering carbon pollution here at home.

We were stunned to read a [report from Reuters](#) this week that you played an instrumental role in the Obama Administration’s decision to “backtrack, at least temporarily, on a policy it has supported for years.” The Administration’s proposal to gut the Renewable Fuel Standard would lower the amount of clean, renewable ethanol in the fuel supply this year, while raising the amount of crude oil that we import.

Please do not be fooled by the crocodile tears coming from the oil industry, who claim to be concerned about rising gasoline prices. Their argument is preposterous on its face:

- Ethanol is cheaper than gasoline. By requiring greater use of a fuel that costs less, the RFS lowers the cost of every gallon sold. Requiring less expensive ingredients does not make something more expensive.
- Refiners claim that RINs (Renewable Identification Numbers, which track compliance with the RFS) cost them \$1.35 billion in 2013. But what they really mean is that refiners who didn’t blend enough renewable fuel into gasoline paid \$1.35 billion to other refiners who blended more than enough. The net effect on the industry is zero – except that they lose market share to a clean, domestic fuel. More American made renewable fuel, less foreign oil. The net effect on consumers is positive, because the fuel that displaced the foreign oil is cheaper. Consumers won, Saudi Arabia lost.

What is even more distressing is that the Obama-Biden Administration’s proposal to gut the RFS is a devastating blow to the advanced biofuel industry that your administration has strongly championed. Just as the industry is taking root – with four new commercial scale cellulosic ethanol plants coming online this year, including three in Iowa – your Administration has replaced years of regulatory certainty with uncertainty, undermining future private sector investment in additional cellulosic ethanol production.

While the numbers in the Administration’s proposal must be changed, the methodology the Administration uses to reach the numbers in its proposal is perhaps more troubling than the numbers themselves. The EPA proposal lowers targets for ethanol blending not because of a

shortage of supply, but because oil companies – who control the retail fueling infrastructure – aren't willing to allow additional ethanol to be sold. Why would investors risk their money in expanded cellulosic ethanol production when oil companies can prevent their product from reaching market by simply refusing to provide the appropriate retail infrastructure?

Mr. Vice President, if this report is true, your involvement on behalf of the oil companies and big refining industry interests is a profound mistake. This policy reversal by the Administration simply means more foreign oil, more carbon pollution, and fewer American jobs. And it is disappointing that you would take this action after hearing just one side of the story.

This has already become a full-blown campaign issue in Iowa in 2014, and it will be a major issue for every candidate who visits Iowa in 2016. This is a crucial juncture for America's renewable fuel industry, and we cannot allow the oil industry to dominate the debate or bully our political leaders into backtracking to greater foreign oil dependence.

We respectfully request a meeting with you to discuss this matter as quickly as possible. Please do not allow this ill-considered proposal to go forward without hearing all of the facts. Iowans have always known you to be a strong supporter of homegrown, renewable fuels, and we hope you will ultimately stand with us on this crucial issue.

Sincerely,

Steve Roe
General Manager
Little Sioux Corn Processors, LP

Brian Cahill
President & CEO
Southwest Iowa Renewable Energy, LLC

Delayne D. Johnson
Chief Executive Officer
Quad County Corn Processors

Eamonn Byrne
Chief Executive Officer
Plymouth Energy

Duane Peterson
Iowa corn farmer
Harcourt, IA

Kevin Stumpf
Iowa corn farmer
Otho, IA

Jack Kibbie
Former Iowa Senate President

Brad Davis
General Manager
Corn, LP

Pat Boyle
Chairman of the Board
Homeland Energy Solutions

Ray Defenbaugh
President, CEO & Chairman
Big River Resources, LLC

Jeff Altena
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Jana Linderman
President
Iowa Farmers Union

Jeff Johannesmeyer
President & General Manager
Western Iowa Energy

Rick Schwarck
Chairman, President, & CEO
Absolute Energy, LLC

Roger Zylstra
President, Iowa Corn Growers Association
Lynnville, IA
And forty-five additional Iowa corn farmers