

April 19, 2021

The Honorable Michael Regan
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Ave., NW
Washington, DC 20460

RE: Docket ID No. EPA-HQ-OAR-2020-0448

Dear Administrator Regan:

As three of the leading agricultural organizations serving Iowa's farmers and biofuel producers, the Iowa Corn Growers Association (ICGA), Iowa Farm Bureau Federation (IFBF), and Iowa Renewable Fuels Association (IRFA) thank the U.S. Environmental Protection Agency (EPA) for the opportunity to comment on the proposed rule for E15 Fuel Dispenser Labeling and Compatibility with Underground Storage Tanks. Iowa leads the nation in both corn and ethanol production, and growing the market for E15 is crucial to our state's economic, agricultural, energy, and environmental future.

The timing of this proposed rulemaking could not be more urgent, as this and other policy efforts to eliminate regulatory obstacles and increase market access for E15 and higher ethanol blends are entirely consistent with the Biden Administration's ambitious carbon reduction goals. Simply put, biofuels present an immediate, available, and affordable solution to achieve significant carbon reductions for the transportation sector.

For instance, a recent study conducted by scientists from Harvard University, Tufts University, and Environmental Health and Engineering, Inc., demonstrated that greenhouse gas emissions (GGE) from corn ethanol are 46 percent lower than gasoline.¹ Another recent analysis from Life Cycle Associates found that greenhouse gas emission reductions achieved under the Renewable Fuel Standard (RFS) have been significantly greater than the carbon reductions initially forecast by EPA. Namely, the increased utilization of biofuels under the RFS has led to a 980 million metric ton reduction in greenhouse gas emissions between 2008 and 2020.² Based on ethanol's demonstrated record of carbon reduction (which continues to improve every year), this clean, affordable, immediately available biofuel needs to play a significant role in the Biden Administration's climate solution plan.

¹ Scully, Melissa J., Norris, Gregory A., Alarcon Falconi, Tania M., and MacIntosh, David L. "Carbon intensity of corn ethanol in the United States: state of the science." *Environmental Research Letters*. Volume 16, Number 4 (10 March 2021): 043001 <https://iopscience.iop.org/article/10.1088/1748-9326/abde08/pdf>

² Unnasch, Stefan and Parida, Debasish. "GHG Emission Reductions due to the RFS2 – A 2020 update." Life Cycle Associates, LLC. (11 February 2021): LCA.6145.213.2021 <https://ethanolrfa.org/wp-content/uploads/2021/02/LCA - RFS2-GHG-Update 2020.pdf>

More than eight and a half years after Linn Coop Oil Company in Marion became the first Iowa retailer to sell EPA-registered E15 in September 2012,³ this earth-friendly, high-performing, low-cost biofuel blend is available today at over 2,300 stations in thirty different states⁴ – including 251 stations in Iowa which collectively sold a record 60.6 million gallons of E15 in 2020.⁵ This is tremendous progress for a new fuel, especially considering the constant barrage of regulatory, legislative, and public relations obstacles that have been raised by E15 opponents during this time, but there is still a long way to go and huge opportunities for growth.

Some of the biggest impediments to retailer adoption and consumer acceptance of E15 are onerous and outdated regulatory requirements which both fail to protect the environment or equipment and only serve to scare consumers from buying and retailers from selling E15. The current E15 labeling requirement and underground storage tank (UST) compatibility regulations are excellent examples of regulatory constraints which must be modified and modernized to allow for accelerated E15 growth.

ICGA, IFBF, and IRFA appreciate this regulatory effort by EPA to remove unnecessary barriers to E15 expansion, but, as the comments below will contend, we believe the Agency must go further to fully capitalize on E15's carbon reduction and cost savings potential.

Proposed Changes to the E15 Labeling Requirement

There is no question that EPA's current E15 labeling requirement has served to discourage the use of E15 by consumers who can lawfully use E15. The label is unnecessarily confusing, speculative, and threatening, and with over 95 percent of light-duty passenger vehicles approved to use E15 today, an E15 label requirement itself is unnecessary, in our opinion.

However, as EPA notes in the proposed rule, "were EPA's E15 label requirement to be removed, we believe the FTC's regulations would require that E15 dispensers be labeled according to FTC's label requirements." In our view, FTC's labeling regulations would be a step in the wrong direction, as they would require E15 to be described inaccurately as an "ethanol flex fuel" which is to be used "ONLY in flex flex-fuel vehicles" along with additional warning language that is both incorrect and unnecessary. With these observations in mind, ICGA, IFBF, and IRFA recognize that fully eliminating the federal label requirement for E15 is not an option at the present time. Therefore, we recommend that EPA's E15 label requirement be modernized and modified in a manner that is simple, informational, and factual.

First, we support the following elements of EPA's first co-proposal to modify the E15 label:

- Removing the "Attention" stripe along the upper right corner of the label
- Removing the term "E15" from the label, while including the language "Contains up to 15% ethanol."

³ DeWitte, Dave. "Linn Co-op to get boost with E15 sales." *The Gazette*, 10 September 2012:

<https://www.thegazette.com/2012/09/10/linn-co-op-to-get-boost-with-e15-sales/>

⁴ "Growth Energy: American Drivers Reach 20 Billion Miles on E15." Growth Energy, 9 March 2021:

<https://growthenergy.org/2021/03/09/growth-energy-american-drivers-reach-20-billion-miles-on-e15/>

⁵ "Even Amidst Pandemic, Iowa E15 Sales Surge to New Record in 2020." Renewable Fuels Association, 2 April 2021: <https://ethanolrfa.org/2021/04/even-amidst-pandemic-iowa-e15-sales-surge-to-new-record-in-2020/>

- Revising the language “Use only in” to “Safe for use in.”
- Including the term “and” in between “2001 and newer passenger vehicles” and “flex fuel vehicles.”

Second, we suggest the following additional modifications to EPA’s first co-proposal:

- Reducing the size of the label, perhaps to 3 inches wide by 2.5 inches long (consistent with FTC’s label size requirements).
- Removing the following threatening and confusing sentence: “Avoid use in other vehicles, motorcycles, boats, or gasoline-powered equipment.”
- Removing the following speculative sentence: “It may cause damage and is prohibited by federal law.”

Third, we support changing the color of the E15 label from the current orange and black color design to one of the following options:

- Consistent with the proposal, a blue header with white text, and a white body with black text; or
- Alternatively, a black header with white text, and a white body with black text.

In summary, the modified and modernized E15 label should follow one of the two revised color schemes described above and include only the following language:

Contains up to 15% ethanol

Safe for use in:

- **2001 and newer passenger vehicles; and**
- **Flex-fuel vehicles**

ICGA, IFBF, and IRFA believe that this modernized and modified E15 label would provide simple, useful, and factual information to fueling customers while avoiding unnecessary speculative, confusing, or threatening language.

Along with these changes to the E15 label requirement, we additionally propose to eliminate the burdensome E15 compliance survey requirement. Given the lack of consumer misfuelling that has occurred since E15’s introduction as well as the fact that over 95 percent of light-duty vehicles are approved to use E15, continuation of the E15 survey requirement would clearly be a wasteful and ineffective use of time and resources.

Finally, ICGA, IFBF, and IRFA believe state and local governments should be prohibited from requiring additional labeling for E15 dispensers, as additional required labeling would exacerbate consumer confusion and stand as an obstacle to accomplishing the Federal objective of increasing market access for clean-burning, homegrown biofuels.

E15 Compatibility with Underground Storage Tanks

One of the most misunderstood, misstated and misrepresented aspects related to the commercial expansion of E15 is the compatibility of E15 with equipment at refueling stations – especially

underground storage tanks (USTs). According to the National Renewable Energy Laboratory (NREL), “it is often stated that tanks cannot be used to store E15, but this assumption is incorrect as the majority of installed tanks can store blends above E10.” Additionally, NREL reports that “over the last decade, a tremendous amount of work by refueling equipment manufacturers, industry groups, and federal agencies has resulted in a long list of equipment that can be used with E15.”⁶ ICGA, IFBF, and IRFA appreciate EPA’s proposed revisions regarding E15 compatibility with USTs, but we believe the Agency has both precedent and scientific justification to strengthen its proposal.

Specifically, EPA should revise the UST regulations to clarify that all existing underground equipment is “deemed compatible” with ethanol blends up to E15 by EPA’s Office of Underground Storage Tanks. There is precedent for EPA taking such a step. In 2015, EPA “deemed compatible” all UST systems for B20 based on the fact that “fleet service sites have stored B20 in UST systems for years, and EPA is not aware of compatibility-related releases associated with those UST systems storing B20.” Based on that logic and the lack of any data or evidence demonstrating that B20 had ever caused or would ever cause a compatibility-related release from a UST system, EPA declared that “this final UST regulation requires tank owners and operators who store **greater than 20 percent biodiesel** in their UST systems demonstrate compatibility of UST equipment or compatibility of UST equipment or components by one of the options listed in §280.32.”⁷

We believe EPA should use similar rationale to declare that all UST systems are “deemed compatible” with E15. Both the successful nationwide deployment of E10 as well as the successful rollout of E15 at 2,300 stations in 30 different states make a strong case for the efficacy of this approach. For instance, NREL recently conducted a literature review going back fifteen years to identify any negative impacts on USTs during the rapid and expansive E10 rollout. The literature review found the following:

- No incidents of E10 causing releases (or leaks) from UST systems were identified.
- None of the reviewed literature noted any association between E10 and any specific UST release.
- EPA OUST’s Performance Measures’ data on UST releases were reviewed, and as E10 was deployed nationwide, the trend was fewer UST releases.
- Anecdotal input solicited from infrastructure industry experts said they knew of no published report of releases caused by E10.⁸

⁶ Moriarty, Kristi and Yanowitz, Janet. “E15 and Infrastructure.” National Renewable Energy Laboratory, May 2015: p. vi.

⁷ U.S. Environmental Protection Agency. “Revising Underground Storage Tank Regulations – Revisions to Existing Requirements and New Requirements for Secondary Containment and Operator Training; Final Rule.” *Federal Register*, 15 July 2015: p. 41603.

⁸ Moriarty, Kristi and Yanowitz, Janet. “E15 and Infrastructure.” National Renewable Energy Laboratory, May 2015: p. vi-vii.

Similarly, after nearly nine years of commercial availability and underground storage of E15, including over 20 billion miles driven utilizing the fuel,⁹ there has not been a single documented instance of E15 causing a release (or leak) from a UST system, and infrastructure industry experts have indicated anecdotally that they are unaware of any published reports of releases caused by E15.

The precedent of EPA “deeming compatible” all UST systems for B20, along with NREL’s compelling conclusions regarding E10, and nearly nine years of release-free practical experience with E15 in the marketplace suggest that it is both reasonable and scientifically defensible for all existing UST equipment to be “deemed compatible” with E15 by EPA. Such a revision of EPA’s UST regulations would undoubtedly make a greater impact on expanding the use and availability of E15 than what is currently proposed. In fact, given the projection that nationwide E15 availability would increase U.S. ethanol demand by at least 7 billion gallons per year,¹⁰ an EPA declaration that E15 is “deemed compatible” with all existing UST systems would likely do more to expand ethanol use, corn grind, and farm income than any policy since the adoption of the Renewable Fuel Standard.

In addition, ICGA, IFBF, and IRFA strongly support EPA’s proposed requirement that effective one year after the effective date of the final rule, all new or replaced UST system equipment and components, including pipe dopes and sealants, must be compatible with ethanol blends up to 100 percent. Similarly, we support allowing states with state approval authority (SPA) to have three years from the effective date of the final rule to submit to EPA a revised SPA application, including this change (requiring all new or replaced UST system equipment and components to be compatible with E100) to their states’ UST regulations.

Conclusion

IFBF, IRFA, and ICGA are grateful to EPA for the opportunity to submit these comments regarding the proposed rule for E15 Fuel Dispenser Labeling and Compatibility with Underground Storage Tanks. As stated earlier, these proposed regulatory changes, if adopted, have the potential to meaningfully accelerate the commercial expansion of E15, which is the most immediate, available, and affordable path to carbon reduction in the transportation sector. We thank EPA for its consideration of our recommendations, and we stand ready to work with the Agency and the Biden Administration on this and other climate solutions going forward.

⁹ “Growth Energy: American Drivers Reach 20 Billion Miles on E15.” Growth Energy, 9 March 2021: <https://growthenergy.org/2021/03/09/growth-energy-american-drivers-reach-20-billion-miles-on-e15/>

¹⁰ Fatka, Jacqui. “EPA finalizes actions on year-round E15.” *Feedstuffs*, 31 May 2019: <https://www.feedstuffs.com/news/epa-finalizes-actions-year-round-e15>

Sincerely,

