

COMMITTEE ON
**SCIENCE, SPACE, AND
TECHNOLOGY**
CHAIRMAN LAMAR SMITH



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**Statement of Subcommittee Vice Chairman Chris Stewart (R-Utah)
Hearing on Mid-Level Ethanol Blends: Consumer and Technical Research Needs**

Vice Chairman Stewart: “Welcome to this afternoon’s hearing of the Environment Subcommittee entitled Mid-Level Ethanol Blends: Consumer and Technical Research Needs.

This legislative hearing builds upon work this Committee pursued last Congress involving technical aspects of the Environmental Protection Agency’s approval of mid-level ethanol blends for use in certain vehicles. Relying on a single set of narrow tests, EPA approved fuel with up to 15 percent ethanol – known as E15– for use in 2001 model year and newer passenger vehicles. Concurrently, and for the first time in the history of the Clean Air Act, EPA created a bifurcated fuel system, prohibiting E15 use in all other engines and vehicles.

Unfortunately, the more E15 is studied, the more concerns are identified. In addition to potential widespread impacts on vehicle engines, EPA has led a haphazard transition to E15 usage marked by regulatory confusion, bungled implementation, and a lack of consumer education. Today’s hearing is not a forum to discuss whether corn ethanol is good or bad; rather it is designed to answer questions like: What have we learned about the effects of E15 since 2010? What types of research would be helpful before there is more widespread use throughout the United States? Finally, what types of research and development should be required ahead of the introduction of new fuels in the future?

Toward answering those questions, our witnesses will be commenting on discussion draft legislation in your packets. This bill would require that EPA contract with the National Academy of Sciences to assess the state of the science regarding E15, including research needs, gaps in understanding, recent testing, and consumer education efforts. This draft is substantially similar to H.R. 3199, bipartisan legislation sponsored by Congressman Sensenbrenner and passed overwhelmingly by the full Science, Space, and Technology Committee last year.

That legislation was also endorsed by a diverse coalition of groups concerned about EPA’s E15 science, including everyone from Friends of the Earth and the National Turkey Federation to the American Petroleum Institute and the Alliance of Automobile Manufacturers. For example, the now-President of the Environmental Working Group testified to this Subcommittee last Congress that “Our comprehensive review of the available scientific data indicates that E15 and higher ethanol blends could have significant adverse impacts on human and environmental health.”

This hearing is focused on technical and consumer concerns about the potential engine damage, warranty issues, and misfueling associated with EPA’s approval of a bifurcated fueling system. The Clean Air Act does not allow a waiver for a new fuel if it would result in the failure of emission standards in cars manufactured after 1974. Recent research has found major problems resulting from the use of mid-level ethanol blends. This research has identified negative impacts to engine durability, on-

board diagnostics, fuel pumps, as well as non-road marine, outdoor power equipment, and snowmobile engines. Additional research has shown that consumers are completely unaware of this dramatic change – a 50 percent increase in the amount of ethanol per gallon - in the fuel they are putting in their vehicles and engines.

Earlier this month, the National Marine Manufacturers Association conducted a survey that found that, of the 17 stations currently registered to sell E15 in a handful of states, 6 of those stations - 35 percent - had failed to label the pumps according to EPA's requirements. Confusion over misfueling has been magnified by the Agency's handling of blender pumps and non-approved vehicles; At one point last year, EPA even proposed a completely impractical and unenforceable mandate that all customers would have to buy at least 4 gallons from any E15 blender pump. This is not promising for the widespread adoption of this fuel, especially as the vast majority of vehicles and engines in America are either not approved for the use of E15 or may have their warranties voided by its use.

While EPA's Assistant Administrator Gina McCarthy has repeatedly stated that the Agency is not currently requiring the use of E15, the Agency aggressively supports the Renewable Fuel Standard—the underlying mandate that will undeniably at some point in the future have to force fuel ethanol blends to exceed 10 percent. And to be clear – the RFS further guarantees that E15 is just the tip of the iceberg. The RFS mandates 16 billion gallons of renewable fuel be blended for sale in 2013. Over the next ten years, this requirement will grow to 36 billion gallons.

This policy is looking more and more like a monument to the folly of central energy planning, and has entailed negative environmental outcomes, rising food costs here in the United States and in third world countries, and even outright fraud involving biofuel credits. This absurdity was demonstrated late last week, when Ms. McCarthy – reportedly expected to be nominated for EPA Administrator – expressed excitement at her “personal milestone” that the first credit for cellulosic ethanol had just been issued. What she failed to mention is that her Agency had mandated 8.65 million gallons of this phantom fuel be paid for by consumers in 2012 even though virtually none existed.

To reiterate, this hearing will not examine the RFS, but rather focus on its downstream impacts related to the technical and consumer research needed on the effects of E15 on all engines, as well as explore a potential path forward that is based on science and expert testing, not politics. As our witnesses today will testify, there is increasing evidence that American consumers may have to pay the price for EPA's cart-before-the-horse approach to E15 science.”