



COMMITTEE ON
SCIENCE, SPACE, & TECHNOLOGY
Lamar Smith, Chairman

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Statement of Oversight Subcommittee Chairman Barry Loudermilk (R-Ga.)
The EPA Renewable Fuel Standard Mandate: A Ten Year Review of Costs and Benefits

Chairman Loudermilk: Good morning everyone. I would like to welcome and thank all of our witnesses for being here today.

Today, we are here to examine the big picture challenge of the Renewable Fuel Standard and its impact on our country and the American people. Ten years ago, the RFS promised to put our country on a path to being cleaner, greener and more energy independent in a time of heavy dependence on foreign oil and high gas prices. Back then gasoline consumption was on the rise, America relied on foreign oil, and renewable fuels were just starting to become an option for consumers.

Fast forward to today where the demand for gasoline is decreasing, our country is now considering exporting crude oil, and we now know ethanol and biofuels are not as clean as we once thought.

In the Committee's hearing on the RFS this summer, we heard testimony from Dr. Jason Hill from the University of Minnesota, who debunked the misnomer that corn ethanol is cleaner than regular gasoline. Dr. Hill's work showed us that while ethanol fuels generally burn cleaner than gasoline at the tailpipe, if you look at the lifecycle emissions of ethanol you can see that growing and fermenting grain, and distilling, distributing, and combusting ethanol releases far more of the five major pollutants that contribute to increased PM 2.5 and ozone levels than gasoline. Corn-based ethanol is simply not cleaner than gasoline.

Dr. DeCicco who joins us today, has conducted careful analysis of more than 100 related studies concluding that serious flaws exist in the government-sponsored modeling used to justify the RFS. It comes as no surprise that the Office of Inspector General for the EPA announced this month they are planning to investigate whether the EPA complied with the reporting requirements associated with the RFS and whether the EPA appropriately updated the lifecycle analysis supporting the RFS with findings from statutorily mandated studies on the environmental impacts of biofuels. We look forward to their findings.

It is also clear that the demand today for biofuels is far less than the EPA anticipated they would be. In our last hearing we heard from CountryMark, a farmer-owned integrated oil company that sells E10, E15, and E85 fuel at its stations. This farmer-owned small business refiner cannot sell E85 to the very farmers who grow the corn used for the ethanol it's blended with because there is just no demand for this fuel.

It is also becoming clear that Americans are ill-equipped to make smart decisions about new gasoline choices entering the market place. According to a recent study conducted by the Outdoor Power Equipment Institute, Americans choose to purchase gasoline based on price, and simply don't pay attention to the warning labels placed at the pump. This results in consumers using fuels with higher

blends of ethanol in lawnmowers, chainsaws, generators and other small engine equipment that are not certified to use those fuels. This can cause damage or permanently destroy those products. And with that, I would like to enter into the record a letter from Todd Teske, President of Briggs & Stratton, which outlines these points in further detail.

Finally, I want to thank our witnesses today for testifying on the impact that the RFS has on the American people. It's time for Congress to make a change. When existing law is unworkable, Congress must listen to experts, and adjust the law as it is needed. I hope that this hearing will bring to light some of the unintended consequences of the RFS, and provide guidance to lawmakers as we decide the future of this law.

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