

March 21, 2023

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

Dear Administrator Regan,

We write today to thank you for proposing to grant our petition of April 28, 2022, that would allow year-round sales of E15 in our states pursuant to Clean Air Act section 211(h)(5). However, we have concerns that because the U.S. Environmental Protection Agency (EPA) missed its statutory deadline to promulgate our petition by more than 200 days, the agency is now proposing to delay implementation until April 28, 2024. Postponing implementation of our petition could result in higher prices at the pump during the summer 2023 driving season, as consumers would lose access to lower-cost, cleaner-burning E15.

In light of this, we ask that EPA use its authority under Clean Air Act section 211(c)(4) to apply the same volatility limitations to both E10 and E15 during the 2023 summer ozone control season to address extreme and unusual fuel supply circumstances across our nation caused by the war in Ukraine.

There is recent precedent for EPA taking such action. The agency exercised this emergency authority during the summer 2022 ozone control season and doing so achieved the desired outcome. Continued availability of E15 throughout the summer of 2022 extended fuel supplies, helped avert potential shortages, and saved Americans at least \$57 million in fuel costs.<sup>1</sup> Drivers choosing E15 saved \$0.23 per gallon on average last summer, equating to \$3-5 in savings per fill-up.<sup>2</sup>

The market conditions that justified emergency action last summer still exist today; indeed, fuel supplies are even tighter than they were a year ago and there is greater risk of disruption heading into summer. U.S. inventories of crude oil and petroleum products recently hit a 19-year low, and

<sup>&</sup>lt;sup>1</sup> Renewable Fuels Association. Oct. 18, 2022. "E15 Extended Gasoline Supplies at a Critical Time This Summer and Saved Americans Millions at the Pump."

<sup>&</sup>lt;sup>2</sup> Minnesota Dept. of Commerce. "2022 Minnesota E85 + Mid-Blends Station Report." (showing June-Sept. 2022 average price of \$4.21/gal. for 87 octane E10 and average price of \$3.98/gal. for E15. Assumes average fill-up of 13-21 gallons.

nationwide gasoline stocks are 3 percent lower than a year ago.<sup>3</sup> Gasoline futures prices are up roughly 15 percent in just the last two weeks; and with a larger-than-usual amount of refining capacity offline for maintenance, supplies and prices could experience greater pressure as summer approaches. These are the same sort of circumstances that led EPA to issue emergency waivers last year.

Consumers, fuel retailers, ethanol producers, and farmers need certainty. We urge the EPA to act immediately to ensure lower-cost E15 remains available in the marketplace this summer. We thank you again for granting our proposal and appreciate your consideration of our request.

Sincerely,

Kim Reynolds Governor of Iowa

Tim Walz Governor of Minnesota

Jim Pillen Governor of Nebraska

Kristi Noem Governor of South Dakota

<sup>&</sup>lt;sup>3</sup> U.S. Energy Information Administration.