



## FOR IMMEDIATE RELEASE

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### **President Signs Historic Renewable Fuels Standard in H.R. 6 – The Energy Independence and Security Act**

#### **Responds to ACE-Advocated Plan to Promote Biofuels and Blender Pumps**

**Sioux Falls, SD** (December 19, 2007) – President Bush today signed into law H.R. 6, the “Energy Independence and Security Act,” which includes a historic Renewable Fuels Standard (RFS) calling for at least 36 billion gallons of ethanol to be used nationwide by 2022. The American Coalition for Ethanol (ACE) praised Congress and the Administration for this meaningful commitment to increase the use of renewable fuels and for responding to calls by ACE members to enact a more ambitious RFS.

“The President’s signature on this Renewable Fuels Standard signals the beginning of the end of our nation’s addiction to oil. This national commitment to accelerate the use of biofuels and improve fuel economy may be the most profoundly important step ever taken by the United States in support of energy security,” said Brian Jennings, Executive Vice President of ACE. “We applaud the bipartisan spirit that got this important job done.”

The new RFS schedule calls for a minimum of 9 billion gallons of ethanol to be used nationwide in 2008, 20.5 billion gallons by 2015, and a total of 36 billion gallons by 2022. This long-term growth plan for ethanol will spur its commercialization from cellulosic feedstocks such as native grasses, crop residues, forestry waste, and many other materials from all regions of the country. The combination of domestically produced corn- and cellulose-based ethanol will be a one-two punch to displace a significant portion of the nation’s consumption of fossil fuel-based gasoline.

The National Commission on Energy Policy estimates that the new RFS and the increased fuel efficiency standards in the bill will reduce domestic oil use by 5 million barrels per day by 2030, save consumers \$161 billion annually in fuel costs by 2030, and reduce the nation’s carbon dioxide emissions by 320 million metric tons in 2020.

“Expensive imports of oil and gasoline are a serious drain on America’s economy, not only costing motorists at each fill-up, but also driving up the cost of consumer goods that are so dependent upon energy for processing, packaging, and transportation. This strong new Renewable Fuels Standard will put the brakes on these economic problems and usher in a new era of increased access to homegrown, cost-effective biofuels like ethanol,” Jennings added.

ACE was the first organization to back the concept of a renewable fuels standard a decade ago, and the first to advocate for an increase in the current RFS schedule of 7.5 billion gallons by 2012 set forth in the Energy Policy Act of 2005.

This RFS schedule will guarantee that ethanol will comprise more than 10 percent of the nation’s fuel supply, raising the likelihood that blends of ethanol other than the two commonly available today – E10 and E85 – will someday become widely accessible for motorists. New research shows that mid-range ethanol blends such as E20 and E30 are very promising in terms of increased fuel efficiency over gasoline and reduced vehicle emissions ([read the new research on “optimal blends” here](#)).

To give consumers greater access to ethanol-blended fuels, ACE worked to help establish a new program in H.R. 6 providing retailers incentives to convert existing equipment or purchase and install new infrastructure to dispense blends such as E20, E30, and E85. Section 244 of Title II of the bill authorizes a new \$200 million program in Fiscal Years 2008-2014 to install blender pumps.

"We are grateful Congress had the vision to include this innovative program in the energy bill, to ensure that the infrastructure investments will be made to dispense the biofuels of the future, including E20, E30, and E85, through blender pumps. ACE will work with Congressional appropriators to ensure full funding of this critical program," Jennings said.

**Other Highlights of H.R. 6:**

- Grain-based ethanol under the new RFS program will reduce greenhouse gas emissions (GHG) by 20 percent compared to baseline (gasoline) emissions.
- Advanced biofuels will reduce GHG emissions by at least 50 percent, and cellulosic biofuels will reduce GHG emissions by at least 60 percent under the program.
- Prohibits oil companies from restricting their franchisees from installing E85 infrastructure.
- Requires a study of the feasibility of a dedicated ethanol pipeline.
- Requires a study on the adequacy of rail transportation of ethanol.

For more information about ethanol, visit [www.ethanol.org](http://www.ethanol.org).

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*The American Coalition for Ethanol (ACE) is the grassroots voice of the U.S. ethanol industry, a national trade association for the ethanol industry with nearly 2,000 members nationwide, including farmers, ethanol producers, commodity organizations, businesses supplying goods and services to the ethanol industry, rural electric cooperatives, and individuals supportive of increased production and use of ethanol. For more information about ethanol or ACE, visit [www.ethanol.org](http://www.ethanol.org) or call (605) 334-3381.*