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American Coalition for Ethanol Testifies in Support of South Dakota Blender Pump Bill

Sioux Falls, SD (February 18, 2010) – The American Coalition for Ethanol (ACE) testified in front of the State Affairs Committee today at the South Dakota Legislature in favor of a bill that would increase consumer choice at the pump by expanding the number of ethanol blender pumps in the state.

Ron Lamberty, ACE's Vice President / Market Development, submitted written testimony today in favor of House Bill 1192, which would establish an incentive grant program for the installation of ethanol blender pumps. ACE Board member Owen Jones, a farmer-rancher from Britton, SD, will testify in front of the committee today at 4:00 p.m.

The testimony of both gentlemen can be read here: <http://www.ethanol.org/magazine/index.php?id=121&parentid=121>.

ACE is the nation's largest ethanol advocacy association with nearly 1500 grassroots members nationwide, many in South Dakota. The group is headquartered in Sioux Falls.

Lamberty writes: "The blender pump has become a reasonable solution to the challenge of increasing the availability of E85 and ethanol blends beyond E10. In addition to the fact that blender pumps give the marketer the ability to offer those higher blends without replacing underground storage tanks and fuel lines – a huge cost savings – the pumps are used by every customer that comes to a station, which means all purchases help with the payback of the pump, making payback of the non-flex fuel portion much faster."

Lamberty has more than 25 years experience in the fuels industry, including as current owner of two gas stations/convenience stores in South Dakota. Jones' testimony will focus on his experience with blender pumps in his hometown of Britton, which is home to the first ethanol blender pump in the United States.

Jones writes: "With the incentives outlined in HB 1192, the State of South Dakota can play a significant role in getting the proper distribution system in place for the future of renewable fuels. Instead of dispensing one product, five different products can be dispensed from one pump. Another reason I am very supportive of this Bill is the fact that this legislation is not only good for the ethanol industry, but it is good for our nation. We need to rid ourselves of the addiction on foreign oil and change to a renewable fuel system which our nation controls."

The bill would create a grant program using \$1 million in federal funds received through the American Recovery and Reinvestment Act of 2009. Grants must be issued between April 1, 2010 and May 28, 2010 and each grant may not exceed \$10,000. The text of HB 1192, introduced by Rep. Mitch Fargen, Democrat from District 8, can be read here: http://www.ethanol.org/pdf/contentmgmt/SD_Blender_Pump_Grant_Program_HB_1192.pdf.

Blender pumps are not new to the fuel industry, but are finding new use with E85. Featuring two underground tanks, usually one for unleaded and one for E85, the pumps can dispense a variety of mid-level ethanol blends such as E20, E30, and E85 for use in flexible fuel vehicles.

South Dakota is home to the first ethanol blender pumps in the nation, in Britton and in Watertown. A map of most U.S. blender pump locations can be seen at www.tinyurl.com/ACEblenderpumpmap. Forty are found in South Dakota of about 150 total across the country. Sioux Falls recently received its first blender pump, footage of which can be seen here at ACE's channel on YouTube: www.youtube.com/ACEethanol.

For more information about ethanol or blender pumps, visit 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 advocacy association for the ethanol industry with nearly 1,500 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 or call (605) 334-3381.