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## **Ethanol Industry Counters Environmental Stall Tactics**

**Washington, St. Louis, and Sioux Falls** (June 15, 2010) – The American Coalition for Ethanol (ACE), Growth Energy, the National Corn Growers Association (NCGA), and the Renewable Fuels Association (RFA) today countered the tired claims of the Environmental Working Group (EWG) that American ethanol is not a sound investment.

Criticizing the tax incentive provided for the use of ethanol is a misleading exercise if proper context is not provided. A recent International Energy Agency report concluded the world spent \$550 billion in subsidies for fossil fuels in 2008 alone. The approximately \$4.5 billion spent to increase America's use of domestically produced ethanol in 2008 is a bargain by comparison.

Equally misleading is a discussion of tax incentives without appropriately attributing increases in economic activity resulting from those incentives. In 2009 alone, U.S. ethanol production helped nearly 400,000 Americans keep their jobs or find a new one, added more than \$15 billion to federal, state and local government tax revenues, and displaced more than 360 million barrels of imported oil.

"It's disappointing that some in the environmental community continue to have an irrational and unsophisticated notion of how to reduce fossil fuel use," said Brian Jennings, Executive Vice President of the American Coalition for Ethanol. "Some say the solution is to get rid of corn-based ethanol today, in hopes that some other potentially promising, but not yet commercialized fuel will be available tomorrow. The result would be more pain at the pump and more pollution for the planet. Ethanol is the only commercially available alternative to gasoline today, and removing it from our nation's fuel supply would mean more oil use – and we ought to learn from the painful and ongoing lesson in the Gulf of Mexico that more oil is simply not a sustainable path."

"It is unfortunate that groups purporting to represent the environment are still criticizing the only alternative fuel – domestic ethanol – that reduces our dependence on foreign oil," said Tom Buis, CEO of Growth Energy.

"Family farmers in the U.S. have provided us with five record crops since 2005, and we're growing 20 percent more corn per acre than any other nation," said NCGA President Darrin Ihnen. "For American corn farmers, the ethanol industry provides the opportunity to add value added to our commodity while expanding the role of U.S. agriculture in our movement toward greater energy self-reliance. It needs and deserves the support it's getting in Washington."

"America's investment in domestic renewable fuels is only just beginning to pay dividends," said RFA President and CEO Bob Dinneen. "Current technologies are directly replacing oil-based fuels in American gas tanks and creating tens of thousands of jobs. New technologies are coming online that will expand ethanol's economic benefit while continuing to improve the industry's environmental footprint and energy security contribution. The environmental community remains shortsighted in its dismissal of ethanol, particularly as the devastating impacts of our oil addiction are currently on full display."

Agricultural production and ethanol biorefining continue to become increasingly efficient. According to a recent article in the scientific journal *Biotechnology Letters*, ethanol production alone has seen a 28 percent reduction in energy use, a 32 percent reduction in water use, and a 5.3 percent increase in ethanol yields all in less than a decade. Conversely, deep water drilling and tar sands extraction continue to drive oil's carbon footprint even higher.

This assault from EWG is just the latest in a line of impractical attacks the environmental community has launched against American ethanol production. Recently, environmental activists suggested that ethanol use in America would reduce our oil consumption – a good thing – and thus drive down the world price of oil – also a good thing. As a result, other nations would use more oil. Ergo, according to their tortured logic, ethanol must be penalized for the carbon emissions from the increase in oil use in other nations. Curiously, EWG suggests that more could be gained from proper tire inflation and obeying the speed limit. Yet, under the current logic of the environmental community, all of those activities would have to be penalized for increasing oil use elsewhere.

"No other option exists today that can match ethanol's ability to reduce oil use in American vehicles," the groups stated. "Rather than erecting roadblocks, we would welcome the constructive input of the environmental community to expand our use of renewable fuels and reduce our need for oil. That starts by allowing the use of 15 percent ethanol blends."

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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 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](http://www.ethanol.org) or call (605) 334-3381.*