EPA Moves Closer to Approval of 15 Percent Ethanol Gas

DAVID PITT, Associated Press

DES MOINES, Iowa (AP) — The federal government announced it has taken a step toward wide distribution of gasoline mixed with 15 percent ethanol by allowing manufacturers to register as suppliers.

While the EPA is moving the process forward by allowing the registration, E15 still must clear another set of federal tests and become a registered fuel in individual states. Ethanol makers then must convince petroleum marketers to sell it at gas stations.

Most ethanol fuel sold for passenger cars and pickups today is 10 percent ethanol and 90 percent gas. The new blend that boosts ethanol to 15 percent would only be sold for use in 2001 and newer vehicles.

The 20 ethanol makers that have registered to sell E15 so far include large corn ethanol manufacturers like Archer Daniels Midland Co., based in Decatur, Ill., and Cargill Inc., which has headquarters in Wayzata, Minn. Four corn ethanol makers in Iowa, the nation's leading corn producing state, also registered.

Others are based in Colorado, Indiana, Kansas, Kentucky, Michigan, Missouri, Nebraska, South Dakota, Texas, and Wisconsin.

The industry trade group Renewable Fuels Association said the EPA's move is the most significant in a three-year effort to get E15 approved for the market and Midwestern states that have started the regulatory process could see E15 for sale as early as this summer.

"Our nation needs E15 to reduce our dependence on foreign oil — it will keep gas prices down at the pump and help to end the extreme fluctuations in gas prices caused by our reliance on fuel from unstable parts of the world," said Tom Buis, CEO

of Growth Energy, another ethanol industry trade group.

The American Fuel & Petrochemical Manufacturers has challenged the government's efforts to offer E15 in court, and president Charles Drevna issued a statement saying with a lawsuit pending, the EPA should not rush E15 to market.

Drevna also said hasty introduction of E15 could endanger American consumers and damage their vehicles and gasoline-powered equipment.

Fuel with higher ethanol content can damage engines not equipped with upgraded rubber parts, gaskets and other fittings. Many opponents worry that although E15 would not be approved for older vehicles, boats, lawnmowers and other small engines, consumers may mistakenly use it.

Nathanael Greene, director of renewable energy policy for the Natural Resources Defense Council, said encouraging more corn production to boost ethanol use is not an environmentally sound idea.

"We need to be using our land very judiciously if we're going to feed a growing population," Greene said. "Corn ethanol is not efficient enough to be directly in competition with food."

The Obama administration has set a goal to help gas station owners install 10,000 blender pumps over the next five years. The government also has provided grants, loans and loan guarantees to push the use of biofuels.

The EPA said Monday's action followed an extensive technical review required by law, and testing by the Department of Energy and other organizations has shown E15 is compatible with engines in model the year 2001 and newer.

It made clear it is not requiring the use or sale of E15 and said gas pumps dispensing E15 will be clearly labeled so consumers can make the right choice.

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