

E15 press call – Opening Statement

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Good morning. Thank you for joining us on this call. With the Trump administration poised to make a decision that would push more E15 fuel into the nation's gasoline supply, we urge the Administration to step back from this ill-advised course.

First, the E15 waiver is a flawed, anti-consumer policy. Oil and gas, and auto industry studies have shown E15 can damage vehicle engines and fuel systems – potentially leaving consumers on the hook for expensive repair bills. In fact, three out of four vehicles on the road today were not designed for E15.

The administration has also signaled its push for more E15 could include potential limits on the RINs market to benefit refiners for a so-called “win-win” deal. This was never a deal to begin with and it’s NOT a win for industry and it’s certainly not a win for consumers. We do not view this as a fair, balanced policy at all. RIN limits may hamper market liquidity, and in no way compares to the significance of allowing more incompatible fuel into the marketplace. The President has asked the EPA to provide him with a “win-win” deal and the EPA has dramatically fallen short of the President’s directive and the administration’s goal.

Secondly, this decision is contrary to the clear letter of the law as it is explicitly disallowed under the Clean Air Act. You don’t have to take my word for it – in the past, EPA has agreed numerous times that the agency does NOT have the authority to extend the RVP waiver to E15.

Finally, this decision would potentially destroy any opportunity at consensus, bipartisan reform. Lawmakers on both sides of the aisle agree that this broken program needs to be fixed. The president agrees that this broken program needs to be fixed. However, this so-called deal from the EPA does NOTHING to fix this program, and only makes the RFS’ RIN requirements even more burdensome for refiners. It arguably makes it worse and certainly makes it more difficult to achieve consensus RFS reform that is lasting and meaningful.

As the administration considers, and hopefully re-considers, this ill-advised decision, API will continue to warn consumers about the potential ramifications of this so-called deal. Earlier this month, API launched a nation-wide ad campaign designed to warn the public about higher ethanol-blended gasoline, and to urge the Administration to step back from the E15 cliff. We continue to ask the EPA to put consumers first and to warn consumers about this potentially harmful decision. With this so-called deal, the EPA would be giving away the store to the ethanol lobby and sticking the American consumer with the tab. The president has asked the EPA to give him a “win-win” deal on the RFS but the so-called deal that EPA has given him is a loser.

Thank you and I look forward to your questions.

