

**FOR IMMEDIATE RELEASE**

**January 21, 2011**

**Diverse Coalition Responds to EPA Decision on E15**

(WASHINGTON, DC) - A coalition of business, environmental, budget watchdog and public interest groups issued the following statements in response to today's Environmental Protection Agency (EPA) decision to expand the scope of its October, 2010 decision to allow a 50 percent increase—from 10 percent (E10) to 15 percent (E15)—in the amount of ethanol permitted in gasoline. Today's decision by the EPA broadens its earlier decision to allow E15 gasoline in model year 2007 or newer automobiles. The new higher ethanol-content fuel will now be available for use in millions of cars in model years 2001 to 2006 as well.

**Statements**

“EPA’s decision to increase the ethanol blend to E15 will further increase volatility in the grain markets. This could hasten the reduction in wheat acres and raise Americans’ food bills. U.S. cropland is already stretched to its limit. Increasing the blend has the potential to further impact commodity stocks and ultimately food prices. The grain markets are currently experiencing near record volatility and prices have edged closer to the record levels of 2008.”

-Robb MacKie, President and CEO, American Bakers Association

“Why is the government forcing consumers to use an inefficient fuel that causes the price of food to skyrocket? Corn ethanol gets less miles per gallon, and is less efficient than gasoline. Now that more cars are ‘approved’ to use E15, according to the EPA, then we can expect the price of regular gasoline to increase to encourage use of this inefficient fuel. All subsidies and mandates to use ethanol should be repealed.”

-Bill Wilson, President, Americans for Limited Government

“Increased pressure on the corn supply has again pushed corn above \$6.00 a bushel, levels not seen since 2008. This announcement only means that more corn will be diverted from an already thinning supply and increased pressure will be put on the meat and poultry sector which is already facing near record high feed costs. For consumers who are concerned about food prices, this decision will further increase prices at the grocery store. Burning our food and feed as fuel is not a sustainable approach to solving this country’s long-term energy needs.”

-J. Patrick Boyle, President and CEO, American Meat Institute

“With this decision, the Obama administration has just voided car warranties for millions of Americans at the behest of the corn and ethanol lobby. The confusion at the pump will be unimaginable, as will the costly burden placed on taxpayers as cars and small engines not made to burn corn ethanol break down after misfueling. Taxpayers have invested billions in a fuel that does little to reduce our dependence on foreign oil while tearing up the land and polluting fresh water.”

-Shelia Karpf, Legislative and Policy Analyst, Environmental Working Group

"The EPA's decision amounts to a New Year's gift to corporate ethanol interests that is bad for consumers and bad for the environment. Corn ethanol is a highly polluting fuel that causes more climate-damaging emissions than regular gasoline, according to the EPA's own scientific analysis. Consumers are bound to get confused at the pump, and

using more ethanol in engines not configured to run on ethanol could lead to engine damage and increased emissions of toxic air pollutants."

-Kate McMahon, Biofuels Campaign Coordinator, Friends of the Earth

"Today's decision will divert even more food and feed to fuel, increasing food prices at a time when food prices are already rising. We urge EPA and the Obama Administration to put the needs of ordinary Americans ahead of the needs of the ethanol industry and reverse this decision."

-Geoff Moody, Director, Energy and Environmental Policy, Grocery Manufacturers Association

"Dairy processors and farmers are increasingly aware of the impact that ethanol policies are having on feed costs and ultimately what consumers are paying for dairy products. EPA's decision is unfortunately another step in the wrong direction. "

-Jerry Slominski, Sr. Vice President, International Dairy Foods Association

"EPA's decision is another giveaway to the ethanol interests and again demonstrates EPA cannot or will not balance the broad national interests on this issue. E15 may be good for ethanol producers and corn farmers but it is clearly detrimental to all other interested parties. To the extent EPA and the ethanol industry actually manage to force more ethanol into the nation's motor gasoline, they will put even more pressure on the already very tight supply of corn. When consumers ask why their food costs are higher, it will be difficult for EPA to explain that today's decision had no impact on the food shopper's dollar."

-Bill Roenigk, Senior Vice President and Chief Economist, National Chicken Council.

"This decision literally takes food out of the mouths of American consumers in order to increase the profits of the ethanol industry. When corn and all the food products derived from it are diverted away from the dinner table, that drives up the cost of a meal for every American family whether they are eating in a restaurant or at home. Turning corn into ethanol and burning it as fuel should not take priority over feeding families at an affordable price."

-Scott Vinson, Vice President, National Council of Chain Restaurants

"This decision to increase the ethanol blend in gasoline is environmentally shortsighted and virtually guaranteed to negatively impact U.S. food security."

- Barry Carpenter, CEO, National Meat Association

"For several decades now, Washington has propped up ethanol through subsidies, sweetheart tax deals, mandates, and other schemes. The EPA shouldn't encourage this dash for cash even further by using its authority to expand E15's usage. Taxpayers are already groaning under the weight of past mistakes with ethanol policy; it's time for government to stop breaking their backs."

-Pete Sepp, Executive Vice President, National Taxpayers Union

"EPA's decision completely disregarded significant scientific and economic evidence surrounding E15 and its potentially disastrous impact. It sends a terrible signal to an already volatile market at a time when corn supplies are very tight. The long-term potential for diverting even larger amounts of corn away from food and feed is a recipe for that could result in consumers paying more for food."

-Joel Brandenberger, President, National Turkey Federation

## **Press Contacts**

American Bakers Association  
Rasma I. Zvaners  
(202) 789-0300 Ext. 104  
rzvaners@americanbakers.org

Americans For Limited Government  
Rebekah Rast  
(703) 383-0880  
rrast@getliberty.org

American Meat Institute  
Dave Ray  
(202) 587-4243  
dray@meatami.com

Environmental Working Group  
Donald Carr  
(202) 939-9141  
don@ewg.org

Friends of the Earth  
Kelly Trout  
(202) 222-0722  
Ktrout@foe.org

Grocery Manufacturers Association  
Scott Openshaw  
(202) 295-3957  
sopenshaw@gmaonline.org

International Dairy Foods Association  
Peggy Armstrong  
202-220-3508  
parmstrong@idfa.org

National Chicken Council  
Richard L. Lobb  
(202) 296-2622 Ext. 119  
rlobb@chickenusa.org

National Council of Chain Restaurants  
J. Craig Shearman  
(202) 626-8134  
shearmanc@nrf.com

National Meat Association  
Jeremy Russell  
(510) 763-1533  
jeremy@nmaonline.org

National Taxpayers Union  
Pete Sepp  
(703) 683-5700  
pressguy@ntu.org

National Turkey Federation  
Sherrie Rosenblatt  
(202) 898-0100, Ext. 7227  
srosenblatt@turkeyfed.org