

**RFA Testimony to EPA Virtual Public Hearing on the
Request From States for Removal of Gasoline Volatility Waiver**

Docket EPA-HQ-OAR-2022-0513

March 21, 2023

Good morning. My name is Geoff Cooper, and I am CEO of the Renewable Fuels Association, the leading trade association for U.S. ethanol producers. We appreciate the opportunity to comment on EPA's proposed removal of the 1-psi vapor pressure waiver for E10 conventional gasoline sold in eight Midwest states.

RFA is pleased that EPA is finally taking action to approve the governors' petitions to eliminate the use of the 1-psi RVP waiver for E10 in their states. However, we are deeply disappointed the Agency is proposing to delay implementation until April 2024. We strongly encourage EPA to reconsider its proposed delay, and we believe there is still time to implement this action before the summer volatility control season begins on June 1, 2023.

The original governors' petition was submitted to EPA with all supporting documentation on April 28, 2022—nearly a year ago—and EPA had a statutory duty to approve and implement the governors petition within 90 days, which would have been no later than July 27, 2022. Instead, the administration waited for months to act on the petition, finally issuing a proposal just three weeks ago. And now, EPA is using this delay as an excuse to defer implementation until 2024. EPA's proposal to kick the can on implementation is creating uncertainty and confusion in the marketplace and putting at risk hundreds of millions of dollars of investment by fuel retailers, ethanol producers, the U.S. Department of Agriculture, and other stakeholders.

Even though EPA's proposal is more than seven months late, there remains no economic, environmental, or legal justification for the Agency to delay implementation by another year.

EPA's suggestion that there would be an insufficient supply of low-RVP blendstock this summer is contradicted by research showing that the Midwest region has ample refining and distribution capacity to accommodate such a change in 2023. A study by ICF indicated that because the region "is projected to have a surplus of in-region refinery gasoline production in summer 2023," the reduction in butane blending that would be necessary to reduce RVP "is expected to be manageable." A separate study by MathPro concluded that the impact on PADD 2 refineries of a switch to lower-RVP blendstock might affect refining and distribution costs by less than 2 cents per gallon.

The ICF study's overall conclusion was that "maintaining supply in this market is expected to be manageable for refiners and pipeline operators under normal circumstances." Additionally, it determined that "most refineries, pipelines, and distribution terminals within the region should

be able to fully switch over to the new lower-RVP gasoline specification with minimal challenges associated with product segregation.”^[1] In the technical support document that accompanied the proposal, EPA itself recognized that “...refineries may be able to adapt to this change by the summer of 2023.”

If there truly is a problem with implementing the governors petition this summer, it is a problem of the Administration’s own making. EPA’s seven-month delay in taking any action at all on the petition has put the marketplace in a real jam—and it should be EPA’s responsibility to get us out of that jam. If the Agency truly believes it cannot implement this petition in time for the summer of 2023, then it should consider using other regulatory authorities to ensure consumers have uninterrupted access to lower-cost, lower-carbon E15. Unless the Agency acts quickly, Midwest drivers will soon lose the ability to choose a fuel that saved them 20-30 cents per gallon on average last summer at a time of record gasoline prices.

Thank you, and I look forward to any questions.

^[1] EPA has a copy of the full ICF report, which can be made available to directly interested stakeholders upon request.