

March 23, 2023

The Honorable Michael Regan
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Ave NW
Washington, DC 20460

Dear Administrator Regan,

I write today to urge the Environmental Protection Agency (EPA) to take immediate action to allow the continued sale of lower-cost, lower-carbon gasoline blends containing 15 percent ethanol (E15) during the 2023 summer volatility control season (June 1-September 15, 2023). Permitting the continued sale of E15 this summer will help to alleviate fuel supply concerns, reduce gas prices for consumers, and decrease carbon emissions.

As you know, EPA has proposed to grant petitions from eight state governors to eliminate the use of the 1-psi Reid vapor pressure (RVP) waiver for E10 in their states.¹ Doing so would establish a level playing field for all gasoline blends and facilitate year-round sales of E15 in those states. However, EPA has proposed to delay implementation of the governors' petitions until 2024, meaning E15 sales would not be permitted in conventional gasoline areas during the summer of 2023.

If EPA ultimately decides to defer implementation of the governors' petitions until 2024, we believe the Agency must then exercise its authority under section 211(c)(4)(C)(ii) of the Clean Air Act to apply equitable RVP limits to E15 and E10 this summer (i.e., June 1-September 15, 2023) to address extreme and unusual fuel supply conditions.

War in Ukraine continues to disrupt the U.S. fuel supply. Total U.S. gasoline stocks fell to just 229.6 million barrels last week, 5 percent below year-ago levels and the lowest for this time of year since 2015 (see attachment).² Meanwhile, total stocks of crude oil and petroleum products are also down 5 percent from a year ago and have fallen to a 19-year low for this time of year.³ Supplies are expected to tighten further as summer approaches, with one analyst warning that "We are in danger of going below 200 million barrels of gasoline storage for the first time in many years."⁴ Experts are cautioning that "U.S. motorists face a repeat of last summer's high gasoline prices" due to worsening fuel supply circumstances; retail prices reaching \$5 per gallon

¹ 88 Fed. Reg. 13758 (March 6, 2023)

² Energy Information Administration. "Weekly Petroleum Status Report." March 22, 2023.
<https://www.eia.gov/petroleum/supply/weekly/>

³ *Id.*

⁴ Shariq Khan (Reuters). "Falling US gasoline stockpiles signal a repeat of last summer's high prices." March 22, 2023. <https://www.reuters.com/business/energy/falling-us-gasoline-stockpiles-signal-repeat-last-summers-high-prices-2023-03-22/>

is “a possibility again.”⁵ The extreme and unusual fuel supply conditions resulting from the war “could not reasonably have been foreseen or prevented” by U.S. fuel suppliers.⁶

EPA can help alleviate potential fuel supply shortages by issuing emergency waivers to allow continued E15 sales throughout the summer, just as the Agency did last year.⁷ During the summer of 2022, consumers choosing E15 saved an average of 20-30 cents per gallon compared to regular E10 gasoline.⁸ Nationwide, the availability of E15 last summer reduced consumer spending on gasoline by nearly \$60 million.⁹ Emergency waivers allowing summer sales of E15 would yield even greater economic benefits in 2023, as more retail stations are offering the fuel than at this time last year. In addition, E15 reduces lifecycle greenhouse gas emissions and cuts tailpipe pollution linked to poor air quality. Clearly, it is “in the public interest to grant the waiver”¹⁰ allowing E15 sales to continue this summer.

In summary, current fuel supply conditions are extreme and unusual, justifying immediate emergency action by EPA to allow summertime sales of E15. Total inventories of gasoline are even lower today than they were at this time a year ago (i.e., when EPA issued a series of emergency waivers to address “a lack of an ‘adequate fuel supply’”).¹¹ We urge EPA to again exercise its waiver authority to allow summertime sales of E15 in conventional gasoline areas to extend supplies and avert potential fuel shortages.

We appreciate your timely consideration of this request. RFA stands ready to work with the Agency to ensure lower-cost, lower-carbon E15 remains available to American consumers this summer.

Sincerely,



Geoff Cooper
President and CEO

cc:

The Honorable Thomas Vilsack, Secretary, U.S. Department of Agriculture
The Honorable Jennifer Granholm, Secretary, U.S. Department of Energy
Ali Zaidi, Assistant to the President and National Climate Advisor

⁵ *Id.*

⁶ CAA 211(c)(4)(C)(ii)(II)

⁷ Environmental Protection Agency. “May 1, 2022 E15 Reid Vapor Pressure Fuel Waiver.” April 29, 2022. <https://www.epa.gov/system/files/documents/2022-04/nationwide-fuel-waiver-allowing-e15-gasoline.pdf>

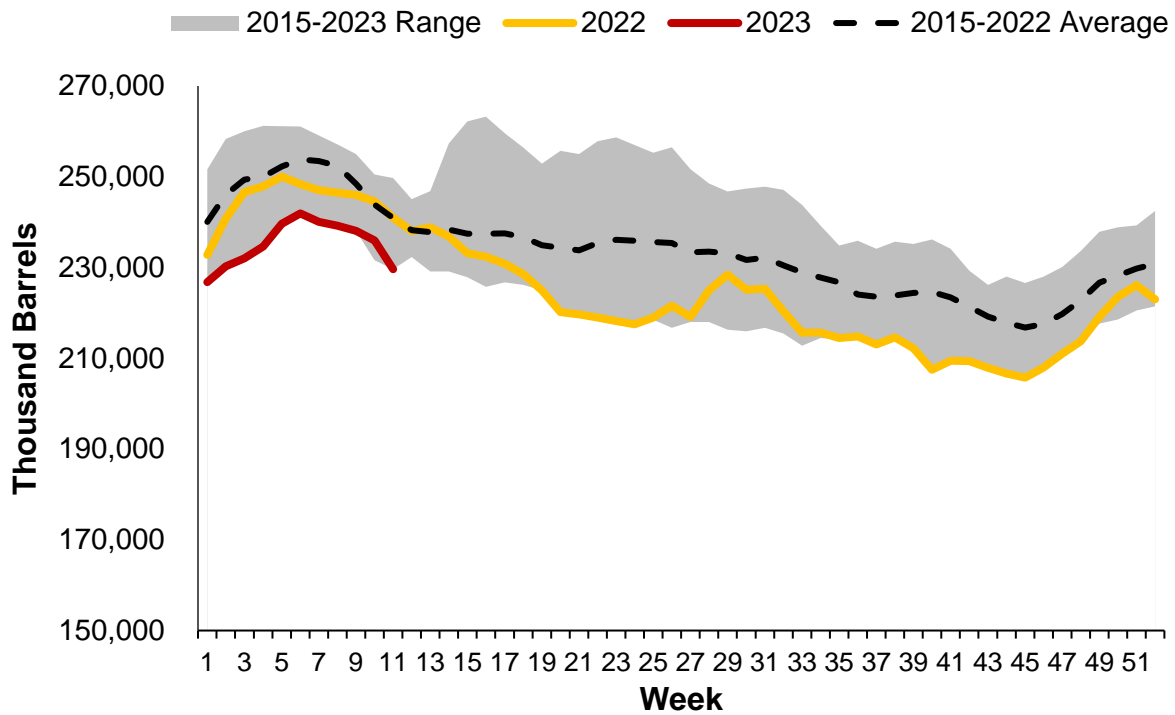
⁸ See, for example, Minnesota Dept. of Commerce. “2022 Minnesota E85 + Mid-Blends Station Report.” (showing June-Sept. 2022 average price of \$4.21/gal. for 87 octane E10 and average price of \$3.98/gal. for E15).

⁹ Renewable Fuels Association. “E15 Extended Gasoline Supplies at a Critical Time This Summer and Saved Americans Millions at the Pump.” Oct. 18, 2022.

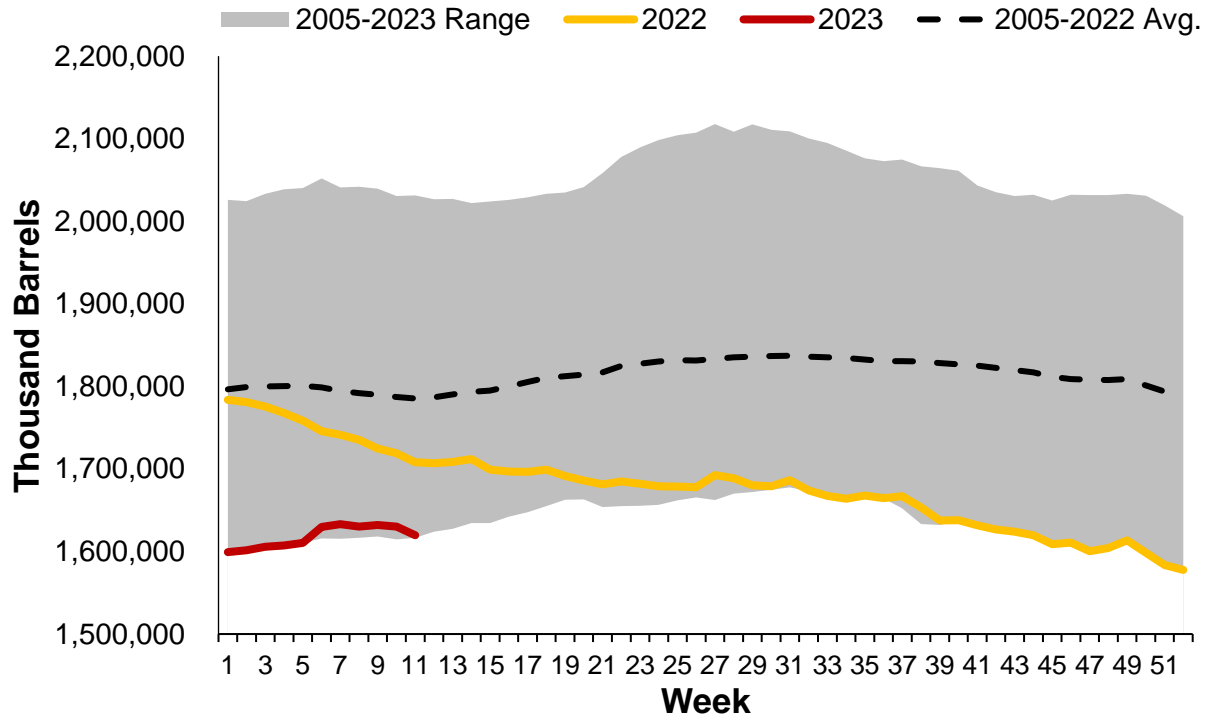
¹⁰ CAA 211(c)(4)(C)(ii)(III)

¹¹ Environmental Protection Agency. “May 1, 2022 E15 Reid Vapor Pressure Fuel Waiver.” April 29, 2022. <https://www.epa.gov/system/files/documents/2022-04/nationwide-fuel-waiver-allowing-e15-gasoline.pdf>

U.S. Total Gasoline Weekly Ending Stocks: 2015-2023 Range and Average



U.S. Crude Oil and Petroleum Product Weekly Ending Stocks: 2005-2023 Range and Average



Source: U.S. EIA (March 22, 2023)