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***E15 CRITICS CONCERNED WITH EPA APPROVAL OF FUEL BLEND REGISTRATIONS

The news earlier this week that EPA approved 20 applications to allow for 15% ethanol blends at gasoline stations has stirred up opposition from refiners and at least one lawmaker.

As OPIS reported Monday afternoon, EPA approved the following registration submissions: Abengoa Bioenergy Holdings U.S., Absolute Energy, ACE Ethanol, Adkins Energy, Amaizing Energy, Archer Daniels Midland, BioFuel Energy Corp., Cargill, Chippewa Valley Ethanol Co., Commonwealth Agri-Energy LLC, Glacial Lakes Corn Processors, Golden Grain Energy LLC, LSCP LLLP, Michigan Ethanol LLC dba POET Biorefining-Caro, Nesika Energy LLC, New Energy Corp., Standard Ethanol LLC, Tate & Lyle Ingredients Americas LLC, Western Plains Energy LLC and White Energy.

"Today's action follows an extensive technical review required by law," EPA explained on Monday. "Registration is a prerequisite to introducing E15 into the marketplace. Before it can be sold, manufacturers must first take additional measures to help ensure retail stations and other gasoline distributors understand and implement labeling rules and other E15-related requirements. EPA is not requiring the use or sale of E15," the agency noted.

While ethanol groups praised the move, there are some still concerned with the approval.

"EPA is choosing to ignore the red flags in its headlong rush to allow more ethanol in gasoline, putting consumers and their vehicles at risk," said American Petroleum Institute (API) Director of Downstream Operations Bob Greco. "Testing needs to be completed before this new fuel mixture is introduced into Americans' gas tanks," he added.

"API supports a realistic and workable Renewable Fuel Standard and the responsible introduction of increased biofuels in a manner that protects consumers and the investments they've made in their vehicles," Greco continued. "However, we cannot rush to allow more ethanol before we know the consequences," he added.

The American Fuel & Petrochemical Manufacturers (AFPM) had similar concerns. "Unfortunately, today's [Monday's] EPA announcement represents yet another in the agency's unwise, premature and irresponsible series of actions in its rush to force E15 to the marketplace," said AFPM President Charles Drevna. "EPA's hasty attempts to speed introduction of E15 before necessary testing is complete could endanger the safety of American consumers, threatening their vehicles and gasoline-powered equipment with possibly severe damage. This action is more about political science than real science because it is designed to protect the ethanol industry rather than the American people," he added.

Meanwhile, Rep. John Sullivan (R-Okla.), a frequent critic of EPA's approval of E15, said he has "serious concerns over E15 being moved to the general fuel supply -- this is a potentially dangerous fuel blend that can ruin engines and void warranties in older model cars, boats, lawnmowers and other outdoor equipment." It should be noted that EPA has only approved the use of E15 for

2001 and later model year vehicles and not for small engines, boats or off-road vehicles.

"EPA is putting the cart before the horse -- they are pushing a fuel that could adversely impact up to 60% of cars on the road today -- leading to consumer confusion at the pump and possible engine failure in the cars they drive," Sullivan continued. "There are still significant consumer safety and liability protection concerns that need to be answered before E15 is ready for primetime," he added.

Sullivan has previously sponsored legislation that would prevent EPA from using funds to implement E15 blends to be included in its budget and most recently co-sponsored a bill that would provide liability protection for retailers offering E15 and other fuel blends.

--Rachel Gantz, rgantz@opisnet.com