



Iowa Renewable Fuels Association

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**RE: Docket ID No. EPA-HQ-OAR-2015-0111
Renewable Fuel Standard Program: Standards for 2014, 2015, and 2016 and Biomass-based Diesel Volume for 2017**

With 42 ethanol biorefineries capable of producing 3.9 billion gallons annually, 12 biodiesel production facilities capable of producing 315 million gallons annually, and three cellulosic ethanol plants (two in operation, one nearing operational status) which will have combined annual capacity exceeding 50 million gallons, Iowa is the nation's premier renewable fuels producer. Iowa is also the largest producer of both corn and soybeans in the U.S. Therefore, the Iowa Renewable Fuels Association (IRFA) is uniquely suited to comment on the proposed rule setting the 2014-2016 volume requirements (and the 2017 biomass-based diesel volume requirement) for the Renewable Fuel Standard (RFS).

The members of IRFA are adamantly opposed to the proposed volume requirements and we strongly encourage the EPA to reconsider its proposal. We recommend the EPA only exercise its cellulosic biofuel waiver authority and discard its convoluted misinterpretation of the "general" waiver authority. EPA should maintain the levels for undifferentiated renewable fuel at the levels prescribed by Congress for 2014, 2015, and 2016 (14.4, 15.0, and 15.0 billion gallons respectively), while setting the biomass-based diesel levels for 2016 and 2017 at no less than 2.0 and 2.3 billion gallons respectively.

The Last 18 Months

It may be worth noting that exactly 18 months ago (January 27, 2014) IRFA submitted comments to EPA on the original proposed rule for the 2014 volume requirement. While that proposal was ultimately pulled and the RFS has been "paused" in what amounts to "limbo" for the last year and a half, time in the real world did not stand still. It might be worthwhile to consider some of what has occurred during that time.

The comments submitted by IRFA 18 months ago remain relevant today and will be attached to this submission (attachment A). However, we would have to make some edits, mostly to the first paragraph. Back then we noted that Iowa was home to four cellulosic ethanol projects. Today, on the positive side, two of those projects¹ have begun operations² and a third should be operational in a matter of just a few months.³ However, the fourth plant – an innovative trash-to-ethanol project – cited uncertainty over the future of the RFS when shifting the focus of its work and investments to other fields.⁴

Along the same lines, DuPont recently noted during a round of meetings in Washington, D.C., that despite its original business plan to focus licensing activity in the United States, it did not have a single serious discussion about licensing its cellulosic ethanol technology with any company in the U.S. due to uncertainty over the RFS. However, DuPont did have serious discussions ongoing in Europe, South America, and China. In fact, DuPont recently announced that the first license agreement for their cellulosic ethanol technology was signed with a Chinese firm.⁵

The last 18 months have seen a dramatic downturn in the health and outlook of rural America. The Midwest went through an absolutely brutal economic period during the 1980s, commonly referred to as “The Farm Crisis.” Yet many people don’t realize that while the Midwest economy stabilized in the 1990s, it still was not good – it was just no longer getting worse. Most of the Midwest missed out on the economic prosperity of the 1990s. In fact, it wasn’t until about 2006 that the Midwest saw strong economic growth fueled by the resurgence of the rural/farm sector. What makes the 2006 through 2013 rural economic revival even more remarkable is it occurred during what many called “The Great Recession” for the rest of the country.

But today, the future is much less bright in rural America, and the turning point can – with certainty and exactness – be traced to the (leaked and then official) unveiling in late 2013 of the proposed rule for 2014 RFS volume levels. Since that time, corn prices have plummeted below

¹ Eller, Donnelle. “Iowa has first gallon of cellulosic ethanol.” *The Des Moines Register* 2 Jul 2014 <http://www.desmoinesregister.com/story/money/business/2014/07/02/first-gallon-cellulosic-ethanol-produced-iowa/11955195/>

² Eller, Donnelle. “Emmetsburg cellulosic ethanol plant: Fuel for the future.” *The Des Moines Register* 4 Sep 2014 <http://www.desmoinesregister.com/story/money/agriculture/green-fields/2014/09/03/poet-dsm-celebrate-opening-cellulosic-ethanol-plant/15025949/>

³ Gantz, Rachel. “DuPont Plant Late October Grand Opening for Cellulosic Ethanol Plant.” *Oil Price Information Service* 10 Jun 2015

⁴ Smith, Rick. “Trash-to-biofuel takes new turn in Marion.” *The Gazette*. 16 Apr 2015 <http://thegazette.com/subject/news/trash-to-biofuel-takes-new-turn-in-marion-20150416>

⁵ Doering, Christopher. “China to license DuPont technology to build ethanol plant.” *The Des Moines Register* 16 Jul 2015 <http://www.desmoinesregister.com/story/money/agriculture/green-fields/2015/07/16/dupont-china-cellulosic/30234437/>

the marginal cost of production,⁶ land values⁷ have fallen 15 percent,⁸ farm income is projected to drop by 23 percent,⁹ agribusinesses¹⁰ have laid off workers¹¹ by the thousands,¹² biodiesel plants have shut down,¹³ and tax revenue generated in Midwest states for both state and federal governments has dropped.¹⁴ All in all, it's not a pretty picture, and it's one that could have been easily avoided – and still can be avoided in the future with a restoration of the RFS levels as enacted by Congress.

During a recent presentation to the Kansas City Federal Reserve Agricultural Symposium, Purdue University economist Mike Boehlje warned that “farmers need to batten the hatches now if they want to survive.” Purdue University’s study forecasts “revenue per acre falling below the cost of production each year from 2014 to 2017 for Midwest corn and soybean producers.” Those most at risk are “young, beginning farmers who don’t have a land base.” As a result, Boehlje noted that 25 percent of farm equipment dealers went out of business in the 1980s and he predicted “we will see another washout in dealers in the next two to three years.”¹⁵

Given the gloomy forecasts, it’s probably not too surprising that bankers expect farm loan defaults to rise in the next year. The monthly Creighton University July Rural Mainstreet Index survey of bank executives found that farmland prices had “fallen by 6.8 percent over the last year” and that nearly 12 percent of the bankers had “reported farm loan defaults were up for the year.” But most alarmingly, almost 55 percent of the bankers “expect farm loan defaults to rise over the next 12 months.”¹⁶

⁶ Plastina, Alejandro. “Estimated Costs of Crop Production in Iowa – 2015.” *Ag Decision Maker: Iowa State University Extension*. Jan 2015 <http://www.extension.iastate.edu/agdm/crops/html/a1-20.html>

⁷ Aschbrenner, Joel. “Iowa farmland prices see biggest drop in 28 years.” *The Des Moines Register*. 18 Dec 2014 <http://www.desmoinesregister.com/story/money/agriculture/2014/12/18/iowa-farmland-prices-fall-iowa-state-university/20611703/>

⁸ Eller, Donnelle. “Iowa farmland values drop 15 percent over two years.” *The Des Moines Register*. 31 Mar 2015 <http://www.desmoinesregister.com/story/money/agriculture/2015/03/31/iowa-farmland-values/70725978/>

⁹ U.S. Department of Agriculture. “Farm Business Net Cash Income Forecast to Decline in 2015.” *Economic Research Service*. 10 Feb 2015 <http://www.ers.usda.gov/topics/farm-economy/farm-sector-income-finances/farm-business-income.aspx>

¹⁰ Ford, George. “Deere & Company laying off more than 550 in Waterloo.” *The Gazette*. 23 Jan 2015 <http://thegazette.com/subject/news/business/deere-company-announces-layoffs-more-than-550-coming-in-waterloo-20150123>

¹¹ Patane, Matthew. “John Deere unlikely to be the last, economists say.” *The Des Moines Register*. 23 Jan 2015 <http://www.desmoinesregister.com/story/money/agriculture/2015/01/23/john-deere-iowa-layoffs/22210349/>

¹² Ford, George. “Kinze Manufacturing lays off 215.” *The Gazette*. 24 Jun 2015 <http://www.kcrg.com/subject/news/business/kinze-manufacturing-lays-off-215-20150624>

¹³ Barton, Thomas. “Biodiesel powers down.” *Dubuque Telegraph Herald*. 15 Mar 2015 http://www.thonline.com/news/business/article_c3e9f32f-f814-55f0-94f1-979cd2ed72ac.html

¹⁴ Tax revenue

¹⁵ Williams, Elizabeth. “Batten Down the Hatches.” *DTN/The Progressive Farmer* 17 Jul 2015 http://www.dtnprogressivefarmer.com/dtnag/common/link.do?symbolicName=/free/news/template1&product=/ag/news/renewablefuels/news&vendorReference=0702DA77&pagination_num=1

¹⁶ Ford, George. “Bankers expect farm loan defaults to rise in next year.” *The Gazette* 17 Jul 2015 <http://thegazette.com/subject/news/business/bankers-expect-farm-loan-defaults-to-rise-in-next-year-20150717>

In fact, the impact of the RFS on farm income and the health of the rural economy is very clear. An old and all-too-accurate joke in farm country is: “if you give a farmer a market, he’ll overproduce it.” The hard work and productivity of the American farmer is much more than a cliché to be bandied about every four years during the Iowa caucuses, it is a statistical fact. Even with a growing world population and increasing middle classes demanding higher amounts of grain-intensive meat in their diets, the American farmer continues to overproduce the market. As a result, according to USDA figures, from 1981 through 2005, the average price a farmer received for a bushel of corn was below the average cost to produce that bushel in 22 of those 25 years. (Attachment B) The result was depressed farm income, high costs borne by taxpayers for Farm Bill programs, and rural economic doldrums.

However, with the implementation of the RFS, the American farm economy went on an amazing eight-year run of prosperity – what some observers have called the best eight contiguous years in the history of American agriculture. From 2006 to 2014, the average price of a bushel of corn was higher than the average cost to produce it. (Attachment B) The growing demand for ethanol had provided the sponge necessary to soak up the excess supplies of corn. As a result, we saw a strong rural economy help power many states through “The Great Recession,” while farm income and production across the globe set new highs.

At the same time, U.S. Energy Information Administration (EIA) reports have shown “good times” for refining companies. With crude oil prices at multiyear lows and with the protection of the 90 percent petroleum monopoly, refiner crack spreads (which essentially track profit margins) have increased. In other words, the full impact of lower crude oil prices is not accruing to the benefit of American motorists, but rather a sizeable portion is fattening the bottom lines of refiners.¹⁷ And while IRFA certainly recognizes and supports the refiners’ right (and necessity) to make a profit, we also believe that more competition in the form of fuel choice for consumers would be to the overall benefit of the U.S. economy and the individual motorist.

To be clear, IRFA members highly value their many positive relationships with numerous refiners – their customers. Yet, renewable fuels producers must at the same time compete with those customers for any increased market share in the fuels arena. IRFA believes that unique and somewhat awkward competition among producers and refiners – suppliers and customers – is best left to the ultimate consumer, the American motorist. The RFS was designed to break through the 100 years of government preferences for petroleum, the distribution monopolies, and other restrictive policies in order to provide consumers true choice at the pump.

Just as that reality was beginning to take shape, the EPA essentially pushed “pause” on the RFS program for the last 18 months. If the current proposal is allowed to move forward, the EPA will effectively push the “stop” button on the RFS. On the other hand, if the EPA allows the RFS program to move forward as envisioned by Congress under the levels outlined in the second paragraph of these comments, the next 18 months will be replete with much better headlines than the previous 18 months.

¹⁷ Gronewold, Nathaniel. “EIA affirms good times for refiners.” *E&E News* 21 May 2015
<http://www.eenews.net/energywire/stories/1060018897>

Iowa Confirms: The “Not Exported” RINs

At the Kansas City field hearing, EPA heard testimony regarding an error in the “net supply” of RINs available for use in complying with the 2014 standard.¹⁸ Given the Agency’s intent to set the 2014 standard based on the amount of RINs supplied in 2014 and available for use, this error directly and materially impacts the proposed RFS level for 2014. The error arises from the mistaken assumption that RINs were generated for all gallons of fuel ethanol exported, and therefore, those RINs must be retired.

Upon learning of this error at Kansas City, IRFA polled its members to see if, in fact, any had produced undenatured fuel ethanol for export in 2014 and had not generated RINs (as the regulations require). A large number of Iowa ethanol producers confirmed that fact.¹⁹ They produced fuel ethanol for export in 2014. For certain export markets, the fuel ethanol was undenatured, meaning these plants never generated RINs on those gallons. Therefore, there are no RINs on these gallons that need to be subtracted out of the available supply for 2014.

Nearly 400 million more RINs were produced in 2014 and available for compliance by obligated parties than was assumed by EPA. IRFA encourages the EPA to correct this error and to, at a minimum, increase the 2014 RFS level by the corresponding amount.

The Disappearing RINs – Why Does EPA Break Its Own Precedent on Carryover RINs?

In an astonishing and confusing change of protocol in setting the 2014-2016 RFS levels, EPA announced the “availability of carryover RINs should not preclude reducing the applicable volumes.”²⁰ A RIN is nothing more than the electronic signature of a physical gallon of qualifying renewable fuel. Carryover RINs represent actual, physical gallons of renewable fuel that were produced and, whether already blended or not, remain available – in their electronic format – as part of the total renewable fuel supply for use by obligated parties in complying with their RFS requirements.

The EPA’s understanding of the term “supply” has been heavily discussed over the last 18 months. The decision by EPA to break with its own precedents of factoring carryover RINs into RFS supply considerations only adds to the sense that EPA has lost its way. Congress and the President enacted the RFS to increase the production and use of renewable fuels. To use the narrow and limited waiver authority granted by Congress to reduce the annual RFS levels should not be done lightly. To ignore more than 1 to 1.5 billion carryover RINs when determining available supply simply flies in the face of the clear intent of the program.

It also flies in the face of EPA’s own precedents. When evaluating several requests for RFS waivers during the historic drought of 2012, just as when evaluating the 2008 waiver requests,

¹⁸ Cooper, Geoff. “EPA Hearing on 2014–2016 RFS Proposal.” *Renewable Fuels Association* 25 Jun 2015
http://ethanolrfa.3cdn.net/7b561fd0026e2097a7_uem6bnzre.pdf

¹⁹ Various emails communications between IRFA and member plants.

²⁰ Environmental Protection Agency. “Renewable Fuel Standard Program: Standards for 2014, 2015, and 2016 and Biomass-Based Diesel Volume for 2017.” *Federal Register* Vol. 80, No. 111, page 33111.

the EPA clearly and specifically took into account the “available quantity of carryover RINs”²¹ when determining whether a waiver was justified. The reduced yields and higher corn prices associated with the horrendous 2012 drought led to a significant pull-back in ethanol production. However, as “indicated by EPA’s modeling, the impact of the RFS volume requirements is highly dependent on the volumes at issue, *the number of RINs carried over from prior years* and the relevant market commodity prices...” (emphasis added).²² In discussing the importance of carryover RINs, EPA noted “the number of rollover RINs available during the 2012/2013 marketing year affects the impact of implementation of the RFS volume requirements in 2013.”²³

Had the “availability of rollover RINs”²⁴ not been factored in to EPA’s “stochastic modeling,” it is fair to ask whether the decision to deny the 2012 waiver might have been different. Yet, history shows the decision by EPA to factor in carryover RINs was correct. Partly by using carryover RINs, obligated parties met their 2012 and 2013 obligations and there was little meaningful impact from the RFS on other economic sectors. The drought induced price impacts dissipated and disappeared as the 2013 corn crop matured and was ultimately harvested. If carryover RINs were appropriate to consider when setting the 2013 RFS level, they should naturally be considered when setting the 2014 level as well.

Consistent with the 2008 and 2012 waiver request evaluations, EPA once again factored carryover RINs into their 2013 RFS level determination. In deciding not to reduce the 2013 statutory RFS levels, EPA stated: “There will also be a significant number of carryover RINs available from 2012 that can be used in lieu of actual volume in 2013 and which are sufficient in number *to address limitations in consumption of ethanol blends higher than E10...*” (emphasis added).²⁵

In fact, in response to suggestions during the 2013 public comment period that EPA should not factor in carryover RINs when determining annual volume requirements, the EPA responded: “...the final rulemaking for the RFS1 program did not describe the purpose of carryover RINs in such narrow terms. Droughts were indeed provided as an example of a market circumstance that could limit the production of renewable fuels, but the RFS1 final rule also described the use of carryover RINs more broadly as a means for protecting against any potential supply shortfalls that could limit the availability of RINs.”²⁶

Even more importantly, after noting that carryover RINs “are a valid compliance mechanism” the EPA highlighted that their job is “estimating the adequacy of the availability and use of ethanol in 2013 for compliance purposes, and the availability of carryover RINs is certainly

²¹ Environmental Protection Agency. “Notice of Decision Regarding Requests for a Waiver of the Renewable Fuel Standard.” *Federal Register* Vol. 77, No. 228, page 70753.

²² Ibid.

²³ Environmental Protection Agency. “Notice of Decision Regarding Requests for a Waiver of the Renewable Fuel Standard.” *Federal Register* Vol. 77, No. 228, page 70758.

²⁴ Environmental Protection Agency. “Notice of Decision Regarding Requests for a Waiver of the Renewable Fuel Standard.” *Federal Register* Vol. 77, No. 228, page 70775.

²⁵ Environmental Protection Agency. “Regulation of Fuels and Fuel Additives: 2013 Renewable Fuel Standards.” *Federal Register* Vol. 78, No. 158, page 49797.

²⁶ Environmental Protection Agency. “Regulation of Fuels and Fuel Additives: 2013 Renewable Fuel Standards.” *Federal Register* Vol. 78, No. 158, page 49822.

relevant in analyzing that issue. Therefore, we believe that it is appropriate to consider carryover RINs in the context of evaluating the comments received on the need for further compliance relief to address the E10 blendwall.”²⁷ This approach was challenged and upheld by federal courts.

While the EPA notes that their 2013 conclusion is “specific to the circumstances present for 2013,” it is also true that, just as in 2013, carryover RINs “are not the only available mechanisms that obligated parties have for meeting” the standards.²⁸ No self-inflicted lack of RIN data should reduce EPA confidence to “assess the volume of carryover RINs currently available”²⁹ to the extent to where it would be “prudent”³⁰ to set an RFS level that envisions absolutely no “draw-down in the bank of carryover RINs.”³¹ Any legitimate uncertainty is offset by the potential for greater E85 sales, the completely underappreciated potential for E15 sales, the potential for greater biodiesel sales, and the rapid growth in non-ethanol cellulosic fuel sales. All of these compliance options should be considered collectively, not individually, otherwise caution turns into paralysis.

The RIN system was designed as a compliance mechanism for obligated parties under the RFS. However, an equal if not greater amount of concern over flexibility for obligated parties also went into the final RIN system design. If the current EPA proposal to ignore carryover RINs is allowed to stand, then the “flexibility” of the RIN system becomes one-sided, to be used to unnecessarily reduce the RFS levels and to undermine the stated goals and implementation schedule of the RFS. IRFA urges the EPA to return to the commonsense approach of factoring carryover RINs into the decision-making process as was done during the 2008 and 2012 waiver request determinations and again when EPA set the 2013 RFS levels. To do otherwise would be an arbitrary and capricious action at the expense of renewable fuel producers and the stated goals of the RFS.

The Illegal Distribution Capacity Waiver

The preceding two sections provide arguments for why the EPA should increase the annual RFS levels for “undifferentiated renewable fuel” from those in the proposed rule. However, we should not be having this discussion at all, because under the current circumstances, no conditions exist which allow the EPA to modify the statutory levels in this area.

There has been absolutely no scintilla of evidence brought forward to suggest that the implementation of the statutory RFS levels for undifferentiated renewable fuel in 2014-2016 would cause severe economic harm or that there is an inadequate domestic supply of renewable fuel. Absent such evidence, the EPA is simply not authorized to modify the statutory levels.

²⁷ Ibid.

²⁸ Ibid.

²⁹ Environmental Protection Agency. “Renewable Fuel Standard Program: Standards for 2014, 2015, and 2016 and Biomass-Based Diesel Volume for 2017.” *Federal Register* Volume 80, No. 111. page 33130.

³⁰ Ibid.

³¹ Ibid.

IRFA commends to the EPA, Iowa Attorney General Tom Miller's clear and concise review of the legal aspects of this point provided to the Agency on January 28th of last year during the public comment period for the previous proposed rule on 2014 RFS levels. For your convenience, IRFA incorporates this document into our comments as an attachment (Attachment C).

In summary, AG Miller highlights that the structure of the statute is not ambiguous and only refers to the supply (or lack thereof) of renewable fuel, not blended fuel. In addition to the actual statute, Congressional legislative history makes clear that Congress' intent was not to include a "distribution capacity" waiver. Previous court rulings also bolster this interpretation. If the EPA insists on finalizing RFS levels based on the application of an illegal distribution capacity waiver, it is not hard to imagine the issue ending up in court and the EPA on the losing side. But the real losers will be the American consumers forced to decide between only E0 and E10 for additional years, instead of the RFS opening up the market for additional competition.

Bump Up Biodiesel

EPA's proposal for biomass-based diesel volumes under the RFS for 2014-2017 is an improvement over the November 2013 proposal, but it still falls short in providing the growth targets necessary in 2016 and 2017 to capture biodiesel's full potential. Biodiesel has been an unmitigated success under the RFS, as the U.S. biodiesel industry has produced over and above EPA's annual biomass-based diesel targets each and every year since 2010, even amidst excessive federal policy uncertainty. While it's a positive that the current proposal allows for graduated volume increases, we firmly believe those increases are unnecessarily limited due to EPA's flawed rationale. Specifically, IRFA urges EPA to increase its biomass-based diesel targets to at least 2 billion gallons for 2016 and at least 2.3 billion gallons for 2017 in the final rule.

In support of this request, we would like to share some Iowa-specific data (Figure 1), courtesy of the Iowa Department of Revenue, to demonstrate the remarkable growth in availability and use of higher biodiesel blends in our state over the past few years—data which runs contrary to the inaccurate suggestion that there are engine warranty limitations on the use of biodiesel for the current in-use fleet.

Since 2010, when the expanded RFS went into effect, both biodiesel production and biodiesel sales in Iowa have soared, multiplying by a factor of roughly four and a half. Biodiesel production has jumped from 48 million gallons in 2010 to 227 million gallons in 2014,³² while total B100 sales in Iowa have expanded from 7.4 million gallons in 2010 to 33.3 million gallons in 2014. In addition, biodiesel-blended gallons in Iowa have increased from 239.8 million gallons in 2010 to 354.7 million gallons in 2014, a 48 percent jump.

Even more remarkable is the growth in the average blend level of biodiesel-blended gallons sold. In 2010, the average blend level of biodiesel-blended gallons sold in Iowa was 3.1 percent. By 2014, **the average biodiesel blend level in Iowa had more than tripled to 9.4 percent**—a

³² "2014 Iowa Biodiesel Production of 227 Million Gallons." *Iowa Renewable Fuels Association* 8 Jan 2015
<http://www.iowarfa.org/2014IowaBiodieselProduction.php>

level that simply could not have been reached without selling a significant amount of B10 and B20. See Figure 1 for further details illustrating the dramatic growth in biodiesel production and sales in Iowa since 2010.³³

Figure 1.

Biodiesel	2010	2011	2012	2013	2014
Iowa Production	48 mg	169 mg	184 mg	230 mg	227 mg
B100 Sales	7.4 mg	14.0 mg	23.3 mg	29.0 mg	33.3 mg
Blended Gallons	239.9 mg	246.0 mg	285.8 mg	347.8 mg	354.7 mg
Avg. Blend Level	3.1%	5.7%	8.1%	8.3%	9.4%

If there was ever any question on whether blends above B5 can be sold year round, the Iowa data referenced in Figure 1 should put that argument to rest. However, EPA, in its recent proposed rule, made the inaccurate suggestion that “the majority of highway and nonroad diesel engines in use today are warranted for no more than 5% biodiesel.”³⁴ The Agency then used this suggestion as part of its rationale to limit the increases in biomass-based diesel levels for 2016 and 2017.

The fact is, according to the National Biodiesel Board, more than 75 percent of diesel engine and vehicle manufacturers approve the use of up to B20, and these vehicles consume the vast majority of diesel sold in the U.S.³⁵ In addition, diesel engine and vehicle manufacturers only make fuel “recommendations;” they do not “warranty” any type of fuel, biodiesel or otherwise (warranties only cover materials and workmanship). Therefore, fuel-related damage would not be covered by a warranty, regardless of the fuel involved. And based on millions of miles of use in the real world, there is no evidence to suggest biodiesel blends are more likely to cause engine problems.

Most importantly, Iowa drivers simply haven’t had any issues using increasingly higher blends of biodiesel—even in the cold winter months. As stated above, the average biodiesel blend sold in Iowa in 2014 contained 9.4 percent biodiesel, an 88 percent increase above B5. If higher biodiesel blends can be successfully utilized in Iowa, as well as other cold weather states such as Minnesota and Illinois, then there is no reason that this model cannot be replicated nationwide with the right policy framework in place.

³³ McAninch, Kathy. “2014 Retailers Motor Fuel Gallons Annual Report.” *Iowa Department of Revenue* April 2015 https://tax.iowa.gov/sites/files/idr/2014%20Motor%20Fuel%20Retailers%20Gallons%20Annual%20Report_0.pdf

³⁴ Environmental Protection Agency. “Renewable Fuel Standard Program: Standards for 2014, 2015, and 2016 and Biomass-Based Diesel Volume for 2017.” *Federal Register* Volume 80, No. 111, page 33116.

³⁵ National Biodiesel Board. “Biodiesel and the U.S. diesel vehicle market: 2015.” Jan 2015 http://biodiesel.org/docs/default-source/ffs-engine_manufacturers/2013-diesel-vehicle-list.pdf?sfvrsn=6

Additionally, if the Agency is serious about building upon the successes of the U.S. biodiesel industry, it must account for genuine concerns about dramatic increases in Argentinian biodiesel imports. The EPA decision in January of this year to fast track Argentinian biodiesel imports through the significantly less stringent survey approach to sustainable feedstock verification will have powerful ramifications for U.S. biodiesel producers. Some estimate that up to 600 million gallons of Argentinian biodiesel could enter the U.S. as a result from this decision.³⁶ Therefore, while the Agency describes the proposed biodiesel RFS levels as providing steady growth, they could actually be a step backwards for U.S. biodiesel producers once Argentinian imports are properly accounted for.

Iowa has clearly been a case-study on the success of higher biodiesel blends, demonstrated by the remarkable growth in the availability and use of higher biodiesel blends in Iowa since the implementation of the expanded RFS. In addition, the U.S. biodiesel industry has a perfect record of exceeding EPA's annual biomass-based diesel targets. These are two compelling reasons that EPA can and should increase its proposed biomass-based diesel volumes for 2016 and 2017 to at least 2 billion and 2.3 billion gallons respectively.

There is No Blend Wall; Only Lack of Consumer Access

The large petroleum companies and their trade associations continue to focus their efforts on creating the myth of a blend wall. They seek to create the image of a physical barrier that simply cannot be surmounted in a timely fashion. This is false. The only physical barrier to the greater use of renewable fuels is the inability of the average motorist to pull up to a fuel pump and choose from various fuel options.

This restriction on competition is not the result of consumer preference, equipment availability, or renewable fuel supply. Iowa retailers have had great success with higher ethanol blends like E15 and E85, when they are allowed to sell it. Customer demand is high. Contrary to the blatantly false claims that a blend wall exists, even more motorists would buy E15 and E85 if it were just available for them to choose.

In a recent poll by the Tarrance Group, when asked if they would consider using E15 if they owned a 2001 and newer vehicle and it was cheaper than E10, an overwhelming 70 percent of respondents said yes. Seventy-six percent of these respondents said they would drive out of their way to buy E15 to save between 5 and 10 cents a gallon if their usual station did not offer E15. (Attachment D)

This price-conscious attitude was further confirmed by the National Association of Convenience Stores' Consumer Fuel Survey conducted in January.³⁷ Approximately two in three consumers consistently shop on price, whether gas was as low as \$1.62 per gallon in 2009 or as high as \$3.28 per gallon in 2013. Even after the sharp gas price declines in late 2014, consumers were

³⁶ Fatka, Jacqui. "EPA streamlines Argentine biodiesel imports." *Feedstuffs*. 28 January 2015: <http://feedstuffs.com/story-epa-streamlines-argentine-biodiesel-imports-45-123298>.

³⁷ "2015 Retail Fuels Report." National Association of Convenience Stores. Jan 2015, page 10 http://www.nacsonline.com/YourBusiness/FuelsReports/2015/Documents/2015-NACS-Fuels-Report_full.pdf

still price shopping for gasoline. This proves that motorists are more loyal to their wallets than they are to any store brand. Perhaps this is why branded oil companies are doing everything they can to create the so-called blend wall. Oil companies know that registered E15, as the lowest-cost registered fuel on the market today, would quickly become the most popular fuel among the majority of motorists.

Further, it has been suggested that offering higher blends like E15 and E85 is a costly endeavor for retailers. Yet a review of retailers around Iowa (and likely the U.S. as well) shows that it is often the small “ma and pa” stations that are providing the option of higher blends to their customers. On average, these stations should be the least likely to make a risky and expensive investment. If Sparky’s One Stop in Bayard, Iowa (population 458) can offer its customers E85, why can’t large retailers in large cities? It might have much less to do with “cost” than it does with what brand a retailer flies.

But consumer choice is coming to customers outside of small retailers in small towns as well. Programs such as “Prime the Pump”³⁸ and USDA’s Biofuels Infrastructure Partnership program³⁹ are focused on high volume stations that will move renewable fuels sales significantly higher. Here in Iowa, one of the largest retailer chains, Kum & Go, recently made a commitment to add E15 to many of its stores over the next year⁴⁰ – and we’re seeing E15 being adopted by other large retailers in other states as well.

Noting that customers can save 5 to 10 cents per gallon with E15 (compared to E10), Kum & Go’s vice president of fuels Jim Pirolli noted: “That could really be a good driver, to be able to save \$1 or \$2 per fill-up. The more stores that are offering it, the better off everyone is. Consumers definitely are.”⁴¹

While this polling and these exciting project announcements should help EPA understand the growth potential for higher blends if made available to the public, what can we actually expect in terms of sales? To answer that, IRFA contacted a number of retailers offering higher blends. Based on their responses, it is clear: there is no blend wall. If consumers are simply given a choice – retailers, obligated parties, and our Nation as a whole will have no problem reaching the statutory RFS levels in 2016. But more than that, they’d be meeting the ultimate RFS standard for 2022.

The U.S. EIA currently projects 188 billion gallons of gasoline and diesel to be used in 2022. If the RFS goal of 36 billion gallons of renewables was realized (and factoring in biodiesel’s RIN equivalent), the 2022 RFS level would be around 18 to 19 percent.

³⁸ Schill, Susanne Retka. “Prime the Pump seeks to expand E15 infrastructure.” *Ethanol Producer Magazine* 10 Dec 2014 <http://www.ethanolproducer.com/articles/11734/prime-the-pump-seeks-to-expand-e15-infrastructure>

³⁹ “USDA Begins Accepting Applications from States for \$100 Million Biofuels Infrastructure Partnership.” *USDA Office of Communications* 12 Jun 2015 <http://www.usda.gov/wps/portal/usda/usdahome?contentid=2015/06/0170.xml&contentidonly=true>

⁴⁰ Oller, Samantha. “With E15 and CNG, Kum & Go fills up on possibilities.” *Convenience Store and Fuel News* Jul 2015. page 73-75 <http://digitaledition.qwinc.com/publication/?i=264019>

⁴¹ Ibid

Fuel Time in St. Ansgar, Iowa takes advantage of low-priced E85 in its blender pump to offer E10, E15, E30, and E85. They also offer E0 (no ethanol) to their customers. Even with 10% of their sales going toward E0, their average ethanol content is 34.6 percent.

Fast Stop in Cresco, Iowa offers five levels of ethanol blends through its blender pumps with an average ethanol content of 43.5 percent. Five Star Coop reported that its three blender pump locations averaged an ethanol content of 23.7 percent. These three cases studies are representative of Iowa blender pump stations. All not only exceed the 2016 statutory RFS level, but the 2022 RFS level as well. (Details provided in Attachment E)

You would be hard pressed to find a retailer with a blender pump offering E15 and E85 not meeting that level today. If they also offer biodiesel blends, their own “station RFS” would be even higher. There is no blend wall. There is only a lack of consumer access to higher ethanol blends – a challenge the RFS was specifically implemented to remediate.

Remove E15 Vapor Pressure Barrier

Since the approval of E15 as a registered fuel, the IRFA has focused on making this new fuel widely available so Iowans have access to another fuel choice and the lowest-cost fuel on the market. In addition to being approved by the Agency for all light-duty passenger vehicles 2001 and newer (which accounts for over 80 percent of the U.S. passenger vehicle fleet), there are more vehicles on the road today expressly warranted by the manufacturer for the use of E15 than there are flexible fuel vehicles, diesel vehicles, or vehicles requiring premium fuel. E15 clearly has the potential to become a large market for renewable fuels very quickly.

Despite large petroleum companies using restrictive branded supply contracts that either outright prohibit the sale of E15 or make it too cumbersome or costly to offer a non-petroleum-controlled product, the largest obstacle to our efforts to make E15 widely available has been the inability for a retailer to offer E15 year-round. The summer blending restrictions have been the breaking point for several potential E15 retailers.

The ability to offer E15 year-round as a registered fuel (as opposed to offering it to only flexible fuel vehicles during summer months) is a serious issue. Retailers who have switched from offering E15 as a “flex-fuel only” to a registered fuel have seen their E15 sales increase by 93 percent. Many Iowa retailers are seeing E15 capture 27 to 47 percent of their total fuel sales during the “winter” season.

Without access to low vapor pressure blendstock during the summer, the sale of E15 in states like Iowa (conventional gasoline only) is essentially prohibited as a registered fuel. During this time, E15 sales plummet. As an example, a retailer in northern Iowa has vigorous E15 sales during the fall and winter; however, during the summer blend season his E15 sales decline by 72 percent.

Retailers are unnecessarily losing revenue and also incurring the additional expense of re-labeling their registered E15 to sell it as a flex-fuel during the summer months. This is followed by a barrage of inquiries from customers who want to know why they can no longer purchase

E15 for their 2001 and newer vehicle. Consumers want more choices and a consistent type of fuel to use in their vehicles all year. Fuel retailers want to meet their customers' needs, but are hampered by EPA's flawed policy that failed to equalize RVP limits for E10 and E15.

With motorists wanting more affordable, American-produced fuel choices, blending more ethanol in gasoline can be done, despite oil companies' statements to the contrary. Equalizing E15 and E10 RVP limits in the summer would enable E15 to become the "new normal" in the U.S. fuel market, boosting ethanol demand by 50 percent. The fuel distribution terminals owned by oil companies would have no choice then, but to meet demand and make E15 an available choice at the rack.

Retailers do not want to restrict the sale of E15 during the summer or take the blame for denying their customers an affordable fuel choice. But until the RVP limit for E10 and E15 are equalized, retailers are becoming the scapegoat for flawed federal policy. IRFA urges the EPA to use its existing statutory authority to equalize the vapor pressure regulations for E10 and E15 as soon as possible.

RINs Lower Fuel Prices

One of the biggest frauds perpetuated by the petroleum industry is that, somehow, RINs increase the cost of fuel. While this notion defies common sense for those who understand the RIN and fuels markets, it quickly gained traction with opponents of the RFS in Congress and, it would appear, inside the White House. Concerns over RINs driving up consumer fuel prices appeared to underpin the original 2014 RFS level proposal that has since been withdrawn.

During the public comment period on that proposal, IRFA sought to demonstrate with both public facts and figures, as well as marketplace logic, that in fact RINs *lower* fuel prices. We supplied data to the OMB via a teleconference as well as to the public docket on the proposed rule. We have updated and expanded our data collection since those comments were made.

For that reason, we noted with special interest the Agency's recently released analysis of RINs and their impact on both retail motor fuel costs and their role in incentivizing greater access to higher renewable fuels blends of ethanol and biodiesel.⁴²

The takeaways from the EPA Office of Transportation and Air Quality's assessment (Study) of RIN market dynamics, prices and effects are clear:

1. RIN prices do not impact overall fuel prices;
2. RIN prices can reduce the wholesale and retail cost of fuels with high renewable content like E85 and B20;
3. The RIN program provides a market-based mechanism to allow compliance flexibility for obligated parties;
4. To the extent that some obligated parties are impacted differently, these impacts are due to individual business decisions; and most importantly,

⁴² Burkholder, Dallas. "A Preliminary Assessment of RIN Market Dynamics, RIN Prices, and Their Effects." *U.S. Environmental Protection Agency Office of Transportation and Air Quality* 14 May 2015.

5. RIN prices are the primary way the RFS program can incentivize the increased blending and consumption of renewable fuels in the US.

In fact, the EPA analysis concluded: “the RIN market seems to be functioning generally as expected; providing an incentive for the continued growth of renewable fuels in the transportation fuel market without causing overall increases to the retail price of transportation fuel.”⁴³

Let’s examine four of these takeaways in more detail.

1. RIN prices do not impact overall fuel prices The Study noted that even with relatively high RIN prices in 2013 there was not a corresponding increase in the prices across the entire fuel pool because “the RIN price, rather than acting as an additional cost, generally acts as a transfer payment between parties that blend renewable fuels and obligated parties who produce or import petroleum-based fuels and are required to obtain RINs for compliance purposes.”⁴⁴

The Study goes on to note that: “High RIN prices are expected to reduce the price of fuel blends that contain a higher percentage of renewable fuels, such as E85 or B20, while increasing the price of fuels that contain little or no renewable fuels.”⁴⁵ The notion that obligated parties increase the price of their non-renewable blends is an area we encourage the Agency to explore further. This would seem logical if all obligated parties were similarly situated, but they are not. While the Study correctly notes there are additional strategies to satisfy their obligations (such as contractual arrangements to retain RINs on unblended fuel or expanding their blending and distribution infrastructure),⁴⁶ each obligated party has a different RFS obligation based on their refining/importing footprint and a different ability to acquire “free” RINs by selling pre-blended products to their branded retailing network (if they have one).

A thought experiment will show that the interactions between three hypothetical obligated parties would lead to RIN values lowering the price of renewable blends, but would not allow the disadvantaged party to raise the price of non-blended fuels. For the sake of ease we’ll give each hypothetical obligated party a nickname.

“Valera” is a refiner with a large share of the U.S. refining market (and therefore a large share of the RFS obligation) but a relatively small branded network. This means it often has to purchase RINs on the open market to meet its RFS obligation.

“EM” is a large refiner whose share of the U.S. refining market and share of retail sales through its branded network is roughly equal. It may buy and sell RINs on the open market upon occasion, but its transactions would generally equal out.

“British Oil” is a refiner with a smaller share of the U.S. refining market and a relatively larger share of the retail market through its branded retail network. It acquires “free” RINs through its

⁴³ Ibid. page 31.

⁴⁴ Ibid. page 2.

⁴⁵ Ibid. page 2.

⁴⁶ Ibid. page 3.

blending operations far in excess of its RFS obligations and it sells the extra RINs on the open market.

In a competitive market area (whether that be Denver or Des Moines or Dallas), Valera may want to increase the price of its unblended products to recoup some of its RIN costs. While it may be able to leverage this through its small branded network, it risks upsetting its branded retailers with uncompetitive prices. Further, it would lose market share in the fight for the business of unbranded retailers. After all, with no need to buy RINs on the open market, EM and British Oil have no need to pass a “RIN cost” through on unblended products.

We believe the Study’s numerous references to passing the RIN costs along on unblended products is a flaw. Obligated parties like our hypothetical Valera will be “price takers,” not “price makers.” They would not raise their prices and, in turn, lose market share. The market forces them to reduce their profit margins and, likely, look for a better compliance strategy.

(The only way these market forces don’t apply is if there is insufficient market competition. If that is the case, then do not lay the blame for higher prices on the RFS or renewable fuels. After all, the RFS only adds competition to the marketplace. Any lack of market competition only highlights the need for robust implementation of the RFS.)

One alternative compliance strategy would be for the hypothetical Valera to reduce prices at the rack in an attempt to gain unbranded market share, thereby obtaining more “free RINs” by increasing its sales of renewable blends. In fact, just this sort of action was reported during the temporary RIN price spike during 2013. Reportedly, a refiner short of RINs aggressively lowered rack prices and offered discounts to gain blending business and the associated RINs.⁴⁷

Another area IRFA would urge the Agency to further review is the Study’s comparison of ethanol and gasoline prices on a net energy basis. For blends up to E30, ethanol is blended for its octane value and there is no meaningful mileage impact. For those blends, ethanol could be priced higher than gasoline (even unadjusted for Btu content) and still be lowering the price of fuel at the retail pump. This is because petroleum alternatives for adding octane to create an 87-octane product from the standard V-grade fuel (84-octane) are much more expensive than V-grade. You can witness this easily in Iowa where almost every retail station offers two 87-octane products, E0 and E10. The retail price today for E10 is 23 to 40 cents per gallon cheaper than E0. (Attachment F)

2. RIN prices can reduce the wholesale and retail cost of fuels with high renewable content

Continuing our thought experiment supports the observations and conclusions of the Study on this point. Consider that British Oil may decide to gain market share in the renewable blends markets by passing some of the RIN value for E15 or E85 along to non-branded retailers to capture market share – or it may be forced to do this by another blender (perhaps an ethanol plant) that is motivated to pass along the RIN value.

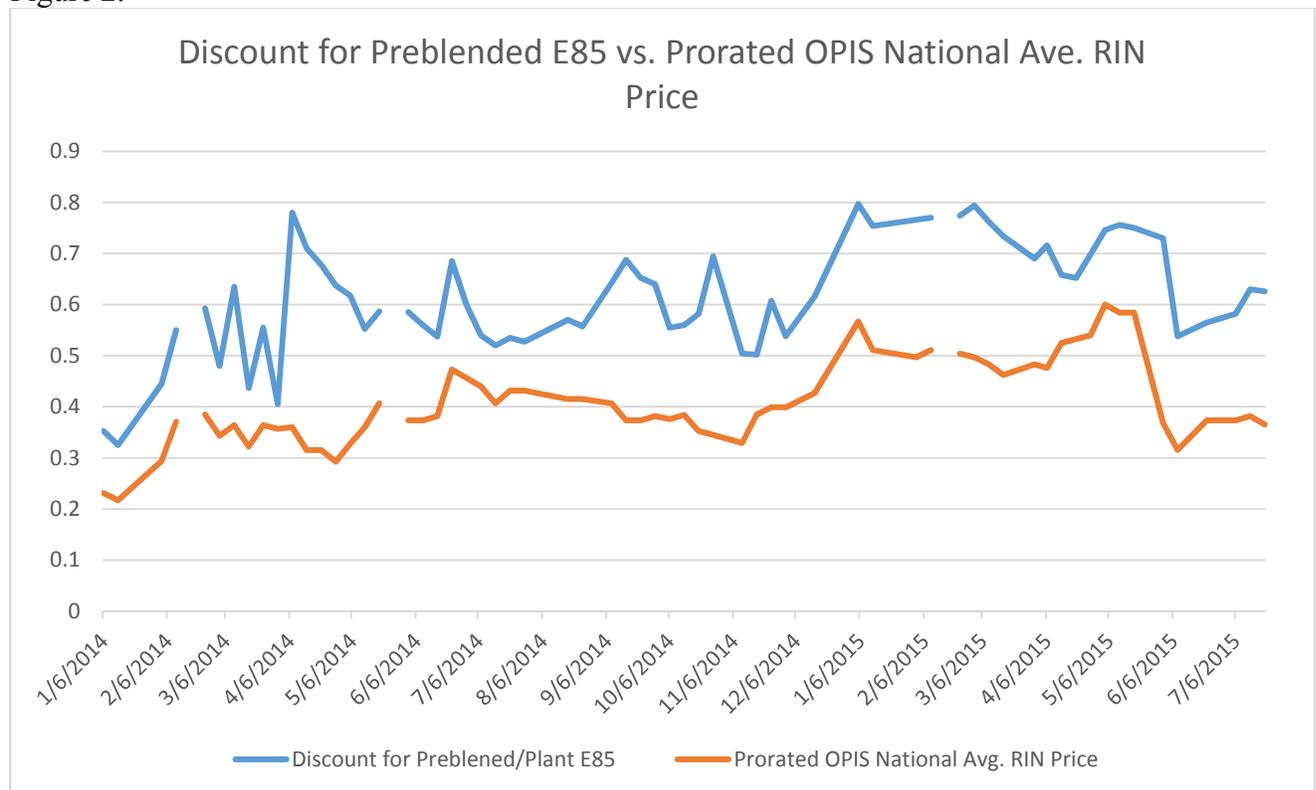
⁴⁷ Ang, Edgar and Denton Cinquegrana. “Valero’s Aggressive Wholesale Mogas Push Coincides with RIN Spike.” *OPIS Biofuels Update* 2 Aug 2013.

Since the fall of 2013, IRFA has collected weekly wholesale prices of E85 from a number of suppliers in Iowa – both ethanol plant blenders (publically available data) and traditional terminal suppliers (courtesy of OPIS). Since that time, the wholesale price of E85 has been consistently lower than the cost of the components (gasoline and ethanol) used to produce it. As noted in the Study: “The fuel blender can only profitably sell a blended fuel for less than the component costs of that fuel if they are realizing value elsewhere.”⁴⁸

Therefore, IRFA has taken the weekly average wholesale price of ethanol plants⁴⁹ offering E85 (3 to 5 plants depending on the timeframe) and compared it to the average cost of blending a gallon of E85 based on that week’s wholesale component prices for V-grade gasoline and ethanol as reported for the Des Moines terminal by OPIS. The discount for preblended E85 from the ethanol plants was then compared to the national average RIN price for that week prorated by the percentage of ethanol in the E85 blend at that time (actual ethanol content in E85 can vary from 70 to 85 percent based on the market and time of year). The full Iowa E85 wholesale price dataset can be found in Attachment G.

As you can see from Figure 2, the discount for preblended E85 from ethanol plants closely tracks the RIN value associated with the ethanol content of the fuel blend.

Figure 2.



⁴⁸ Burkholder, Dallas. “A Preliminary Assessment of RIN Market Dynamics, RIN Prices, and Their Effects.” U.S. Environmental Protection Agency Office of Transportation and Air Quality 14 May 2015. Page 24.

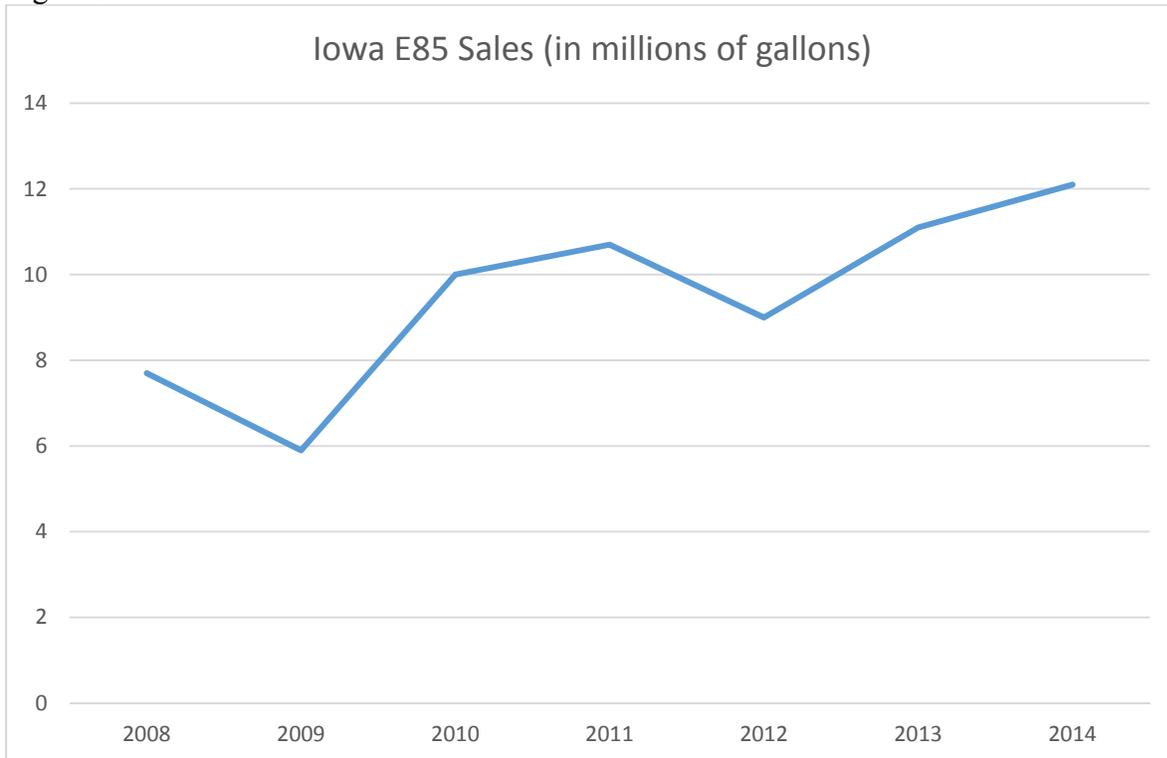
⁴⁹ We used the average ethanol plant E85 price because the data shows they are more motivated to pass RIN savings through to retailers in order to develop the E85 market compared to other potential E85 suppliers.

In fact, the ethanol plants on average sell E85 for even less than one would expect based on RIN value alone. This is the result of several possible factors including, but not limited to, direct access to ethanol (no supplier markup), no terminal storage or access charges, use of cheaper denaturants, and the difference between RINs sold under contract compared to the spot RIN prices reported by OPIS. The nature of comparing average E85 prices to average RIN prices can sometimes also lead to lags in correlation due to changes in the ethanol content during certain times of the year and the time for RIN values to work their way into E85 pricing calculations.

But two things are clear. E85 is being sold both inside and outside the terminal for less than the cost of the components to produce the blend and the E85 price discount largely tracks the value of RINs.

Further, while it is very important to understand how RIN values lower the price of blended fuels like E85 and thereby make them attractive to retailers and consumers, it is equally important to understand that other factors impact the sales (and potential sales) of E85 as well. The single biggest determining factor of E85 sales is consumer availability. As Figure 3 below shows, E85 sales in Iowa continued to go up even as RIN prices and petroleum prices retreated from 2013 levels.⁵⁰ But based on conversations with retailers, the RIN value proposition is key to many decisions to add E85 or a blender pump to their operations.

Figure 3.



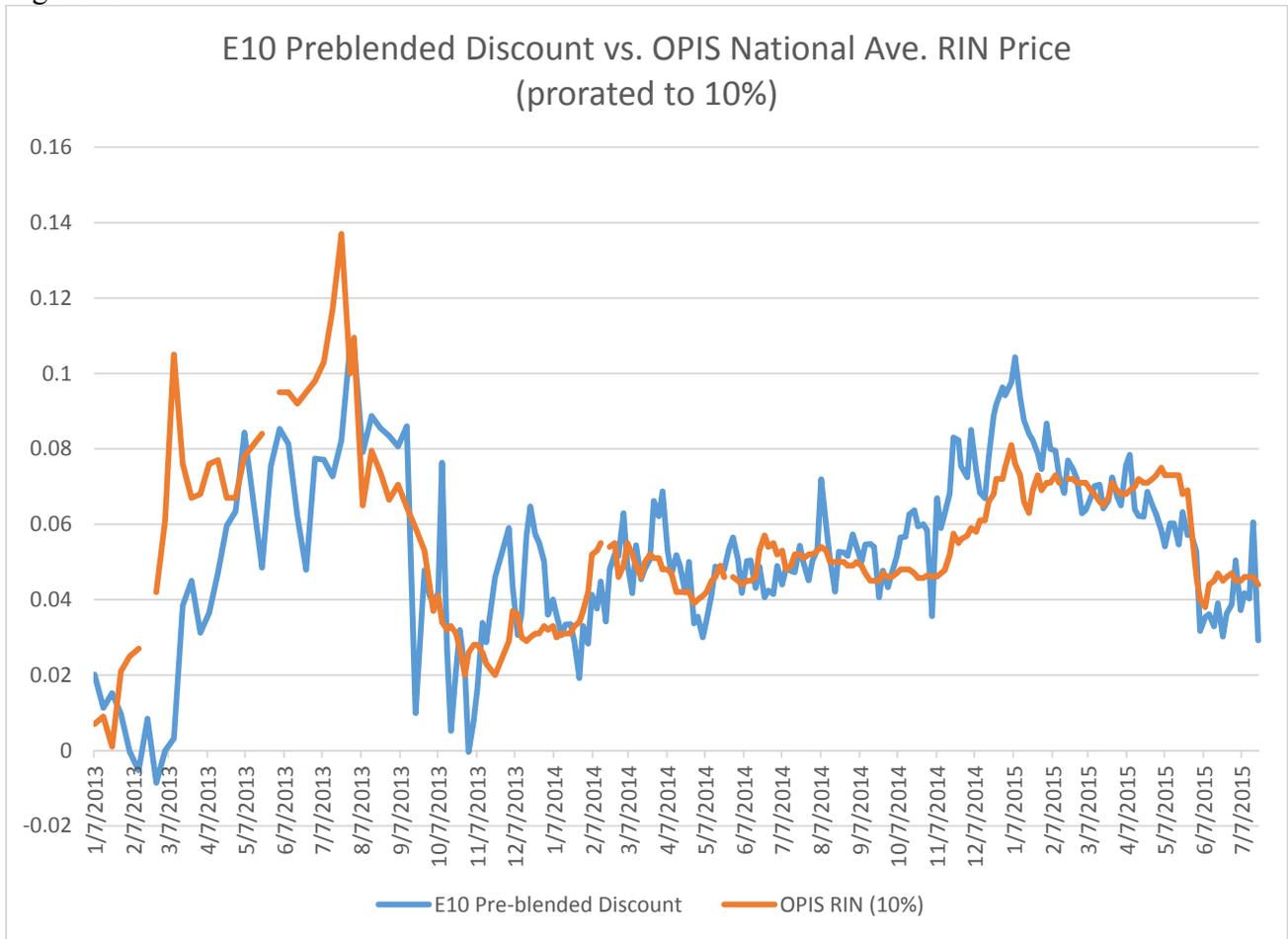
⁵⁰ “2015 Retail Fuels Report.” National Association of Convenience Stores. Jan 2015, page 10
http://www.nacsonline.com/YourBusiness/FuelsReports/2015/Documents/2015-NACS-Fuels-Report_full.pdf

The correlation between RIN prices and renewable blends selling at a discounted price compared to their component value is not limited to E85. Iowa's competitive retail climate also reveals the same dynamic occurring with E10 sales. While the connection is easier to see in E85 given its higher ethanol content, it's important to also look at E10 because it makes up the vast majority of fuel sales in Iowa and nationwide.

Utilizing weekly rack average prices for the Des Moines terminal from OPIS, IRFA compared the average wholesale price for E10 compared to its component costs (90% V-grade and 10% E100). Just as before, there is a consistent discount for buying preblended E10. When a retailer purchases preblended E10, the supplier (and blender in this case) keeps the RIN. If the retailer purchases the components separately and becomes the blender of record themselves, the supplier does not keep the RIN. As with E85, IRFA compared the discount for buying preblended E10 with the prorated (10%) national average RIN price. The full Iowa E10 wholesale price dataset can be found in Attachment H.

Figure 4 below clearly displays the correlation between the preblended discount for E10 and the RIN value. Once again, you see the value of a RIN being passed through and actually lowering fuel prices. It's also important to note that in this case, all of the E10 options are at the terminal (no ethanol plant options). Under normal circumstances one might expect a slight upcharge for preblended E10 because of the service (blending and RIN reporting compliance) being offered. Yet, the RIN value overcomes these considerations in Des Moines' competitive market.

Figure 4.



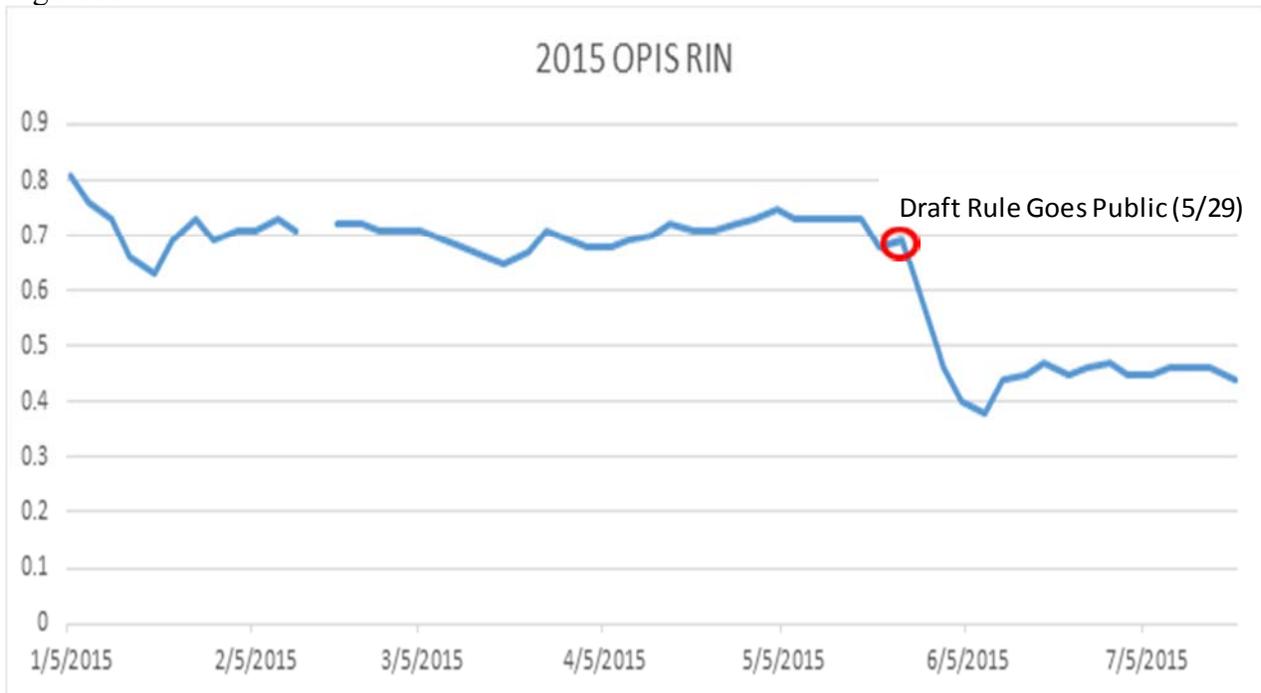
If wholesale price data in other markets fails to show a similar correlation, it would be informative to assess the competitiveness of the local market. As stated earlier, a lack of competition does not reflect poorly on the RFS, rather it serves to highlight its necessity.

3. The RIN program provides a market-based mechanism to allow compliance flexibility for obligated parties The Study does a nice job of outlining this point and the various steps that differently situated parties can take to comply with the program.⁵¹ But I would like to share a discussion I had recently with a 20-year veteran of Capitol Hill who was deeply involved in the crafting of the RFS (both laws). He marveled at how rare it was that Congress got “so right” the RFS market-based RIN mechanism to ensure consumer access to renewable fuels while allowing various parties to meet the requirement in ways that best fit their business model. He then lamented that the EPA has so totally destroyed (or at least proposed to destroy) one of the few instances that Congress got something right. The proposed EPA rule turns the RFS, and RIN values, on their heads.

⁵¹ Burkholder, Dallas. “A Preliminary Assessment of RIN Market Dynamics, RIN Prices, and Their Effects.” U.S. Environmental Protection Agency Office of Transportation and Air Quality 14 May 2015. Page 29.

5. RIN prices are the primary way the RFS program can incentivize the increased blending and consumption of renewable fuels in the US To justify the RFS proposal, the EPA cited a lack of renewable distribution capacity masquerading as a “supply” shortage. As Figure 5 demonstrates, since the proposal was made public on May 29th, RIN values dropped precipitously – reducing the incentive for retailers to offer higher blends of ethanol and biodiesel and increasing, relative to unblended fuels, the cost of E85 and other renewable blends. (Data can be found in Attachment H)

Figure 5.



The EPA is not responding to an infrastructure shortage for higher ethanol blends with this proposal – the EPA is creating it. A strong RFS provides the incentive for retailers to offer higher ethanol blends to their customers. By slashing the RFS, the EPA slashes the incentive to install higher blend distribution infrastructure. This fundamental flaw in EPA’s understanding of the RFS and market dynamics must be addressed and corrected if we are ever to achieve the market competition goals Congress outlined when passing the RFS.

It is troubling that the Agency appears to have ignored each and every takeaway of EPA’s own internal RIN analysis. We urge the Agency to review the RIN assessment again, with the addition of the new data we provided, and to incorporate its lessons into the finalized RFS levels.

Conclusion

The bottom line remains clear: there is no legal, marketplace, or consumer rationale for reducing the conventional biofuels level below the RFS statutory requirements. The EPA must enforce the RFS as Congress wrote the law. Let the RIN marketplace do its job in lowering fuel prices and incenting additional renewable distribution capacity.

The members of IRFA recommend that the EPA discard its convoluted misinterpretation of the “general” waiver authority and maintain the levels for undifferentiated renewable fuel at the levels prescribed by Congress for 2014, 2015, and 2016 (14.4, 15.0, and 15.0 billion gallons respectively). Further, by properly accounting for U.S. biodiesel production and consumption capacities along with the high likelihood for significant biodiesel imports, IRFA urges the Agency to set the biomass-based diesel levels for 2016 and 2017 at no less than 2.0 and 2.3 billion gallons respectively.

We stand ready to work with you and to provide any further information or background on this issue where we may be of assistance. Please do not hesitate to contact me at mshaw@IowaRFA.org or 515-252-6249.

Sincerely,

A handwritten signature in black ink that reads "Monte Shaw". The signature is written in a cursive, slightly slanted style.

Monte Shaw
Executive Director

ATTACHMENT A



Iowa Renewable Fuels Association

January 27, 2014

Air and Radiation Docket and Information Center
Environmental Protection Agency
Mailcode 2822 T
1200 Pennsylvania Ave., NW
Washington, DC 20460

RE: Docket ID No. EPA-HQ-OAR-2013-0479
Regulation of Fuels and Fuel Additives: 2014 Standards for the Renewable Fuel Standard Program

With 42 ethanol biorefineries capable of producing 3.8 billion gallons annually, 12 biodiesel refineries capable of producing 315 million gallons annually, and 4 cellulosic ethanol projects under construction which will have combined annual capacity exceeding 50 million gallons, Iowa is the nation's premier renewable fuels producer. Iowa is also the largest producer of both corn and soybeans in the U.S. Therefore, the Iowa Renewable Fuels Association (IRFA) is uniquely suited to comment on the proposed rule setting the 2014 volumes for the Renewable Fuel Standard (RFS).

According to economist John Urbanchuk of ABF Economics, the renewable fuels industry had the following impacts on the Iowa economy in 2013:

- Accounted for nearly \$5.6 billion, or about 4 percent, of Iowa GDP;
- Generated \$4.1 billion of income for Iowa households; and
- Supported more than 62,000 jobs through the entire Iowa economy, equivalent to 4 percent of total State employment.¹

IRFA was pleased to be able to testify at EPA's public hearing on this proposed rule in December, as well as meet with Administrator McCarthy and EPA staff in Washington, DC with Iowa Governor Terry Branstad. We found Administrator McCarthy and the Agency staff and directors to be extremely earnest in their desire to "get it right," and we hope the Agency finds us to be as earnest in providing its staff with factual data and first-hand industry observations so they can do just that – get it right.

We also hope the White House is open to revisiting the 2014 renewable volume obligation (RVO) proposal. We were very disturbed to read the White Office of Management Budget's (OMB) statement that, "If volumes are too low, no harm no foul. If volumes are too high, then the prices of RINs will be high and we will face a real problem," when reviewing the rule in

¹ ABF Economics. "Contribution of the Renewable Fuels Industry to the Economy of Iowa," prepared by John M. Urbanchuk. January 28, 2014. p. 3. <http://www.iowarfa.org/documents/2014IowaEconomicImpact.Final.pdf>

August.² On both points, the White House could not be further from the truth, and we hope to prove why this is the case in the comments below. Quite frankly, IRFA believes the Administration's decision on this rulemaking will set the tone for agriculture and renewable fuels for the foreseeable future. It's not an overstatement to say our future is in your hands.

Simply stated, IRFA urges EPA to finalize volumes of 14.4 billion gallons for conventional renewable fuel and 1.7 billion gallons for biodiesel. In support of this request, IRFA will make the following points citing specific Iowa examples:

- 1. There is no E10 blend wall.**
- 2. It is completely unnecessary to reduce 2014 conventional renewable fuel volumes below 14.4 billion gallons.**
- 3. The RFS lowers fuel prices for consumers.**
- 4. Higher RIN prices drive higher E85 sales.**
- 5. U.S. biodiesel producers are fully capable of producing 1.7 billion gallons in 2014.**
- 6. EPA's rationale for reducing 2014 RFS volumes is illegal, and if finalized, would ensure that RFS volumes are never raised in the future.**

First, there is no E10 blend wall.

Iowa has 14 registered E15 locations, 72 blender pump locations, and 186 E85 pump locations. Despite the oil industry rhetoric, everywhere ethanol blends higher than E10 have been offered in Iowa, consumers have responded positively. For example, in October 2013, IRFA released the first month of sales data for E15 in Iowa following its September 16, 2013, reintroduction. The release stated the following:

The six registered E15 retailers in Iowa reporting data sold 23,959 gallons of registered E15 in only one month—enough to make more than 19 trips around the world! Each of the retailers also offers other higher blends for flexible fuel vehicles, including E85. Averaged across all fuel blends, ethanol accounted for roughly 25 percent of the retailers' gasoline sales. This level of ethanol sales far exceeds the scheduled RFS levels for years to come.³

This sentiment was echoed by Bruce Vollan, owner of Vollan Oil Company in Baltic, South Dakota:

I am a station owner who already sells E15, and so many customers want to buy it that it is already the second best-selling fuel in my station. My monthly sales show a minimum of 18 percent ethanol overall, and a maximum of 28 percent—and we hit those percentages month after month, even with my station selling ethanol-free gas. Given the choice, customers usually choose more ethanol.⁴

² Peterka, Amanda. *Energy & Environment News*. "BIOFUELS: White House urged EPA restraint on 2014 RFS targets." January 6, 2014. <http://www.eenews.net/stories/1059992426/print>

³ Iowa Renewable Fuels Association. "Latest Fuel Sales Data Proves E15 Blend Wall is Dead: Data Shows Restricted Access, Not So-Called Blend Wall, is True Hurdle. October 24, 2013. <http://iowarfa.org/E10BlendWallDead.php>

⁴ Vollan, Bruce. "E15 Fuel is Safe and Cost Saving." *Sioux Falls Argus Leader*. June 2, 2013. <http://growthenergy.org/news-media/ethanol-in-the-news/letter-e15-fuel-is-safe-and-cost-saving/>

Retailer Charlie Good, owner of Good & Quick in Nevada, Iowa, has had similar success offering E15 and higher ethanol blends:

After implementing the fuel (E15) and upgrading his facility, he says gas sales have been up roughly 8,000 gallons per month. “For this time of year, for my sales to be going up, I can attribute probably 2,000 to 3,000 gallons of that each month to E15, E20, E30 and E85,” he says. “I’m a little, independent guy. I’ve got two of the biggest convenience store companies in the United States (nearby), and I’m kicking their butt. But I’m doing that because I’m offering things they don’t offer.”⁵

These real, personal testimonies show that if consumers are given the opportunity, they will buy enough higher ethanol blends to exceed the RFS volumes. The problem is not that retailers can’t sell higher ethanol blends; it’s that the petroleum industry refuses to make these blends available. Through branded contract restrictions, legislative attacks, regulatory challenges, legal actions, multi-million dollar misinformation campaigns, junk science initiatives, deliberate failure to invest in retail and terminal infrastructure for higher ethanol blends, and many other tactics, the petroleum industry has done everything in its power to undermine the RFS and maintain its stranglehold on 90 percent of the transportation fuel supply. A strong and growing RFS is the only way to overcome the petroleum industry’s blatant interference in the adoption of higher ethanol blends, and to make sure that anti-competitive behavior by petroleum companies is not rewarded.

Second, it is completely unnecessary to reduce 2014 conventional renewable fuel volumes below 14.4 billion gallons. Setting aside the fact that EPA’s rationale for proposing reduced 2014 conventional renewable fuel volumes (perceived infrastructure and marketplace concerns) is clearly outside the authority granted to the Agency by the Energy Independence and Security Act of 2007, there is still no question that obligated parties can retire 14.4 billion ethanol renewable identification numbers (RINs) in 2014.

A recent paper by Bruce A. Babcock and Sebastien Pouliot of the Center for Agricultural and Rural Development (CARD) at Iowa State University demonstrates that “800 million gallons of ethanol can be consumed as E85 in 2014 even with no additional investment in stations that sell the fuel. Combining this additional consumption of ethanol in E85 with consumption of ethanol in E10 and with available banked RINs would facilitate meeting a 14.4 billion gallon mandate in 2014.”⁶

Similarly, a recent study by Informa Economics stated the following:

Considering the potential for expansion in E85 consumption, moderate usage of E15 and other mid-level blends and the ability for the biodiesel industry to boost production, it is

⁵ Hanson, Chris. “The Curb Appeal of E15.” *Ethanol Producer Magazine*. January 23, 2014. <http://www.ethanolproducer.com/articles/10633/the-curb-appeal-of-e15>

⁶ Babcock, Bruce and Sebastien Pouliot. “Feasibility and Cost of Increasing US Ethanol Consumption Beyond E10.” Center for Agricultural and Rural Development, Iowa State University. January 2014, p. 14. <http://www.card.iastate.edu/publications/dbs/pdf/files/14pb17.pdf>

possible for RFS2 standards and effective allocations consistent with EISA to be met in 2014.⁷

In another important development earlier this month, the U.S. Energy Information Administration (EIA) raised its forecasted gasoline demand in the U.S. from 132.9 billion gallons up to 134.6 billion gallons. According to Reuters, “The higher forecasts are important because they mean there could be more petroleum-based gasoline available than expected to blend with ethanol, leaving the agency room to lessen the proposed cuts in this year’s biofuel blending quotas.”⁸

While record sales of E85 and mid-level ethanol blends will be required to meet the 14.4 billion gallon conventional renewable volume obligation for 2014, we are confident this volume can be met if the RFS is allowed to keep working as the statute intended.

Third, the RFS lowers fuel prices for consumers. Notwithstanding the contentions of the petroleum industry, the evidence is clear that the RFS does not raise fuel prices; in fact, the RFS lowers fuel prices.

According to another recent study by Pouliot and Babcock of CARD at Iowa State University, “Feasible increases in the ethanol mandate in 2014 will cause a small decline in the price of E10... Our results should reassure those in Congress and the Administration who are worried that following the RFS commitment to expanding the use of renewable fuels will result in sharply higher fuel prices for consumers.”⁹ This economic model dovetails with the facts on the ground in Iowa for both E10 and E85 sales in 2013.

Regarding Iowa E10 sales in 2013, a review of Des Moines Rack Average Prices shows that the price spread between pre-blended E10 and component-blended E10 (Regular Unleaded and E100 purchased separately and blended in a 90/10 mix) sold at the terminal closely tracked the prices of RINs throughout the year. Specifically, **Figure 1** and **Figure 2** below demonstrate that during the summer of 2013, pre-blended E10 – where the blender keeps the RIN – at Des Moines racks was sold at a discount to “below the rack” component-blended E10 – where the purchaser of the separate components gets the RIN – by an amount similar to the daily value of the D6 RIN.

⁷ Informa Economics. “Analysis of the Potential Use of Biofuels toward the Renewable Fuel Standard in 2014.” January 2014, p. 15. http://www.ethanolrfa.org/page/-/rfa-association-site/studies/Informa_Potential_Use_of_Biofuels_toward_RFS_2014.pdf?nocdn=1

⁸ “Rising US gasoline demand offers Environmental Protection Agency room to revise ethanol mandate.” *Reuters*. January 6, 2014. http://articles.economictimes.indiatimes.com/2014-01-08/news/45992706_1_ethanol-blending-gasoline-demand-ethanol-producers

⁹ Pouliot, Sebastien and Bruce A. Babcock. “Impact of Increasing Ethanol Mandates on Prices at the Pump.” Center for Agricultural and Rural Development, Iowa State University. January 2014, p. 3. <http://www.card.iastate.edu/publications/dbs/pdffiles/14pb18.pdf>

FIGURE 1

OPIS Rack Prices- 2013							
	8/1/2013	8/8/2013	8/15/2013	8/22/2013	8/29/2013	9/5/2013	9/12/2013
Regular UNL (87 octane)	3.081	2.919	3.014	3.025	3.180	3.155	2.919
E10 (89 octane)	2.908	2.790	2.864	2.880	3.043	3.028	2.813
E100	2.423	2.420	2.401	2.430	2.644	2.691	2.719
Comp. E10 (89-octane)	3.015	2.869	2.953	2.966	3.126	3.109	2.899
Discount for pre-blended	0.107	0.079	0.089	0.086	0.083	0.081	0.086
2013 OPIS RIN (10%)	0.110	0.065	0.080	0.074	0.067	0.071	0.065
*Des Moines Rack Average Prices							

FIGURE 2

OPIS Rack Prices- 2013									
	9/19/2013	9/26/2013	9/30/2013	10/3/2013	10/7/2013	10/10/2013	10/14/2013	10/17/2013	10/21/2013
V-grade (84-octane)	2.743	2.696	2.683	2.637	2.611	2.712	2.648	2.628	2.589
E10 (87 octane)	2.701	2.613	2.613	2.562	2.538	2.581	2.573	2.579	2.529
E100	2.422	2.344	2.394	2.279	2.299	2.165	2.165	2.190	2.203
Comp. E10 (87-octane)	2.711	2.661	2.654	2.601	2.580	2.657	2.600	2.584	2.550
Discount for pre-blended	0.010	0.048	0.041	0.039	0.042	0.076	0.027	0.005	0.021
2013 OPIS RIN (10%)	0.059	0.053	0.044	0.037	0.041	0.034	0.032	0.033	0.031
*Des Moines Rack Average Prices									

In other words, the E10 seller at the rack had to pass through and reflect the RIN value in its prices or else jobbers or other blenders would have an economic incentive to purchase straight gasoline and E100 to become the blenders of record and, thereby, capture the RIN value for themselves. This clearly demonstrates that RIN values lower – not raise – consumer gasoline prices.

Figure 3 and **Figure 4** demonstrate that the RIN discount continues to hold true today.

FIGURE 3

OPIS Rack Prices	2013									
	12/2/2013	12/5/2013	12/9/2013	12/12/2013	12/16/2013	12/19/2013	12/23/2013	12/26/2013	12/30/2013	
V-grade (84-octane)	2.413	2.454	2.443	2.35	2.349	2.495	2.605	2.677	2.661	
E10 (87-octane)	2.376	2.424	2.429	2.335	2.307	2.419	2.523	2.590	2.578	
E100	2.633	2.588	2.609	2.561	2.500	2.382	2.358	2.358	2.332	
Comp. E10 (87-octane)	2.435	2.467	2.460	2.371	2.364	2.484	2.580	2.645	2.628	
Discount for pre-blended	0.059	0.043	0.031	0.036	0.057	0.065	0.057	0.055	0.050	
2013 OPIS RIN (10%)	0.029	0.037	0.036	0.030	0.029	0.030	0.031	0.031	0.033	
* Des Moines Rack Average Prices										

FIGURE 4

OPIS Rack Prices-	2014						
	1/2/2014	1/6/2014	1/9/2014	1/13/2014	1/16/2014	1/20/2014	1/23/2014
V-grade (84-octane)	2.643	2.579	2.616	2.641	2.63	2.649	2.686
E10 (87-octane)	2.570	2.504	2.543	2.566	2.547	2.559	2.589
E100	2.273	2.229	2.244	2.197	2.134	2.084	2.005
Comp. E10 (87-octane)	2.606	2.544	2.579	2.597	2.580	2.593	2.618
Discount for pre-blended	0.036	0.040	0.036	0.031	0.033	0.034	0.029
2014 OPIS RIN (10%)	0.032	0.033	0.03	0.031	0.031	0.0312	0.033
* Des Moines Rack Average Prices							

The full data set is available upon request.

The same was true for Iowa E85 sales in 2013. **Figure 5** and **Figure 6** below show that the price spread between E85 purchased direct from blenders (in this case Iowa ethanol plants) and component-blended E85 (E100 and unleaded gasoline purchased separately at Des Moines racks) was significant, reflecting the daily value of the D6 RIN. Stated another way, if RIN values had not been passed along to consumers in 2013, E85 prices would have been significantly higher in Iowa reflecting the component costs – and not the lower prices actually offered in the wholesale market.

FIGURE 5

OPIS Rack Prices- 2013							
	9/19/2013	9/30/2013	10/7/2013	10/14/2013	10/21/2013	10/28/2013	11/4/2013
V-grade (84-octane)	2.743	2.683	2.611	2.648	2.589	2.487	2.373
E100	2.422	2.394	2.299	2.165	2.203	2.162	2.101
Comp. Rack E85	2.477	2.443	2.352	2.262	2.280	2.227	2.166
"E85" Plant Average^	1.790	1.943	1.830	1.863	1.860	1.873	1.747
Discount for pre-blended*	0.687	0.500	0.522	0.399	0.420	0.354	0.419
2013 OPIS RIN	0.590	0.440	0.410	0.320	0.310	0.200	0.280
^ www.iowarfa.org/E85PastPriceProgram.php							
*Discount over RIN values likely reflect competitive advantage of buying direct from ethanol producer vs. 3rd party via bulk terminal.							

FIGURE 6

OPIS Rack Prices-							
	11/11/2013	12/2/2013	12/9/2013	12/16/2013	12/23/2013	12/30/2013	1/6/2014
V-grade (84-octane)	2.422	2.413	2.443	2.349	2.605	2.661	2.579
E100	1.980	2.633	2.609	2.500	2.358	2.332	2.229
Comp. Rack E85	2.086	2.576	2.564	2.459	2.425	2.421	2.327
"E85" Plant Average^	1.733	2.193	2.183	1.986	1.993	1.990	1.977
Discount for pre-blended*	0.353	0.383	0.381	0.473	0.432	0.431	0.350
2013 OPIS RIN	0.260	0.290	0.360	0.290	0.310	0.330	0.330
^ www.iowarfa.org/E85PastPriceProgram.php							
*Discount over RIN values likely reflect competitive advantage of buying direct from ethanol producer vs. 3rd party via bulk terminal.							

It's also worth noting that ethanol is simply cheaper, cleaner, and higher octane than gasoline, and that reality is reflected in the price at the pump throughout Iowa. Today, 87-octane E10 sells for a discount of between 23 and 30 cents compared to 87-octane E0, and savings are even greater for E15, E30 and E85.

Oil economist Philip K. Verleger explains further how the RFS saves consumers money:

Consumers actually saved \$1 per gallon or more in 2013 because the greater renewable fuel supplies *replaced* crude oil volumes that countries such as Libya, Iraq, Nigeria, Iran, Sudan, and several others failed to produce...EISA did just what its title proclaimed: it assured consumers of energy security (and lower-priced gasoline)...EPA has issued rules that, if enacted, will roll back the renewable fuels program. The agency apparently has failed to notice that consumers are enjoying gasoline prices possibly one-third lower than they would be absent the renewable program...The renewable fuels program saved consumers billions in 2013. If allowed to operate as written, it will save them far more in 2014.¹⁰

In short, the observed price data in Iowa buttresses the economic modeling of CARD, Informa Economics, and Dr. Verleger.

Fourth, higher RIN prices drive higher E85 sales. From the inception of RFS2, the RIN mechanism was always intended to drive additional investment in the infrastructure necessary to consume higher amounts of renewable fuel. 2013 provided a small preview of how the RIN can (and did) drive higher E85 sales as was envisioned.

As D6 (ethanol) RIN prices elevated throughout 2013, peaking in July and August, E85 sales in Iowa elevated similarly. This is shown in **Figure 7**.

FIGURE 7

E85 Quarterly Report - Gallons Sold

	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
2013	1,834,947 gallons	2,623,949 gallons	3,610,895 gallons	

Source: Iowa Department of Revenue (<http://www.iowa.gov/tax/forms/motor.html#Monthly>)

As summarized by IRFA, “third quarter sales of E85 in Iowa were the second highest on record, doubling first quarter 2013 numbers. Iowans purchased more than 3.61 million gallons of E85 in the third quarter of 2013, nearly double the 1.83 million gallons of E85 purchased in the first quarter of 2013 and up from the 2.62 million gallons of E85 sold in the second quarter, according to Iowa Department of Revenue data.¹¹

¹⁰ Verleger, Philip K. “RFS Kept Gas Prices Down.” *The Hill*. January 23, 2014. <http://thehill.com/blogs/congress-blog/energy-environment/196135-rfs-kept-gas-prices-down>

¹¹ Iowa Renewable Fuels Association. “Third Quarter Iowa E85 Sales Nearly Double First Quarter Numbers: Third Quarter E85 Sales Soar to Second Highest All-Time in Iowa.” December 3, 2013. <http://iowarfa.org/3rdQIowaE85Sales.php>

One of the best examples of higher RIN prices driving higher E85 sales took place in August 2013 at Fast Stop in Cresco, Iowa. During the first two weeks of August, Fast Stop reported that E85 sales made up 45 percent of its gasoline sales, and pure ethanol accounted for an amazing 42 percent of its total liquid gallons sold—more than four times the so-called E10 blend wall—over the two week period. Fast Stop part-owner Dave Sovereign stated, “Finding a supply of E85 that reflected the RIN savings was the key—that’s when E85 sales just took off...Fast Stop has become a magnet for flexible fuel vehicle owners in the area. Consumers are ready and willing to purchase higher ethanol blends; retailers just need to make them available and price them right.”¹²

Babcock and Pouliot explain further how higher RIN prices drive higher E85 sales and lower compliance costs for obligated parties:

The RIN trading system that EPA uses to enforce biofuel mandates is the mechanism that would facilitate the required price reductions in E85. The greater the reduction in E85 price that is required to induce customers to use the fuel, the greater the RIN price. Higher RIN prices imply higher compliance costs for owners of oil refineries. Thus, high RIN prices create an incentive for these owners to lower their compliance costs by increasing the number of stations that sell E85. An increase in the number of E85 stations would increase the demand for E85, increase the price of E85, lower RIN prices, and thus lower compliance costs.¹³

While the Iowa Department of Revenue has not yet released 2013 4th quarter E85 sales, based on conversations with E85 retailers, sales are expected to be lower than in the 3rd quarter. Once the EPA’s 2014 draft proposal leaked into the media, RIN prices fell precipitously. With less RIN value to pass through to consumers in the form of lower E85 prices, the price spread between E85 and conventional blends was reduced. Iowa motorists reacted correspondingly. This is further proof that the RFS works as intended and that the EPA should revise its 2014 proposal to reflect statutory ethanol levels and to allow the RIN mechanism to drive additional investment in the infrastructure necessary to consume higher amounts of renewable fuel. In terms of the relationship between RINs and higher ethanol blend sales, the draft proposal reflects a logic that is the exact opposite of reality on the ground and would end the RFS as useful public policy. Instead of achieving the statutory objectives, the 2014 draft proposal would create a never-ending circle of self-fulfilling prophecy.

Fifth, U.S. biodiesel producers are fully capable of producing 1.7 billion gallons in 2014.

Biodiesel has always been a bright spot of the RFS, as the U.S. biodiesel industry has consistently under-promised and over-performed in meeting EPA’s annual biomass-based diesel targets. IRFA was extremely disappointed in EPA’s proposal to cut the RVOs for 2014 and 2015 back to 1.28 billion gallons. Following record U.S. biodiesel production of nearly 1.8 billion gallons in 2013 (approximately 500 million gallons in excess of 2013’s 1.28 billion gallon RVO), there is no question that U.S. biodiesel producers can once again produce at least 1.7 billion gallons in 2014 if the EPA finalizes a volume of at least 1.7 billion gallons.

¹² Iowa Renewable Fuels Association. “As RINs Lower E85 Price, Sales Soar in Cresco, Iowa: With Blender Pump, Average Ethanol Content Hits 42 Percent.” August 29, 2013. <http://iowarfa.org/E85SalesSoarinCresco.php>

¹³ Babcock, Bruce and Sebastien Pouliot. “Feasibility and Cost of Increasing US Ethanol Consumption Beyond E10.” Center for Agricultural and Rural Development, Iowa State University. January 2014, p. 14. <http://www.card.iastate.edu/publications/dbs/pdf/files/14pb17.pdf>

It was very troubling to learn that the Administration’s 2014 RVO proposal for biomass-based diesel was based on outdated data from 2011—the exact same data that EPA used to set the 2013 standard at 1.28 billion gallons—despite the fact that the biodiesel industry provided up-to-date, extensive data to EPA detailing feedstock supplies, production costs, and consumer savings compared to petroleum diesel. The Administration needs to utilize this current data to set the final 2014 RVO.

It was troubling, once again, to read the White House OMB’s skepticism of the biodiesel industry’s capability of meeting even a 1.28 billion gallon requirement (as proposed by EPA) in 2014. According to Energy & Environment News, “White House reviewers consistently said they were concerned that biodiesel producers would meet even the (1.28 billion gallon) target itself. They correctly anticipated that Congress would allow the industry’s \$1-a-gallon tax to expire and leave biodiesel producers in the lurch. ‘Seems like supply would collapse if credit is not extended,’ reviewers wrote in an early version of the proposed rule.”¹⁴

Recent history suggests that the White House’s concerns are unfounded. In 2011, U.S. biodiesel production was just under 1.1 billion gallons, while the 2011 RVO was 800 million gallons. When the biodiesel tax incentive expired at the end of 2011, many questioned whether the 1 billion gallon biomass-based diesel RVO for 2012 could be met. However, the skeptics were proven wrong, as U.S. biodiesel producers exceeded the 1 billion gallon requirement by again producing nearly 1.1 billion gallons in 2012—despite the lapse of the tax credit. The White House’s stated concerns seem to ignore the fact that the biodiesel industry has succeeded in meeting an *increased* RVO during a year without the biodiesel tax credit. If the EPA finalizes a 2014 RVO of at least 1.7 billion gallons, U.S. biodiesel producers have proven they can meet it – with or without the blenders tax credit.

¹⁴ Peterka, Amanda. “BIOFUELS: White House urged EPA restraint on 2014 RFS targets.” *Energy & Environment News*. January 6, 2014. <http://www.eenews.net/stories/1059992426/print>

Iowa biodiesel producers have set production records in each of the past three years, with 169 million gallons of production in 2011, 184 million gallons of production in 2012 and 230 million gallons of production in 2013. Similarly, biodiesel usage in Iowa has grown dramatically over the past four years. **Figure 8** illustrates that blended gallons, percentage of diesel sales, average blend levels and B100 sales have all increased significantly in Iowa since 2009.

FIGURE 8

Biodiesel	2012	2011	2010	2009
Blended Gallons (mg)	286.3	246.0	239.8	205.2
% of Diesel Sales	42.6%	33.7%	32.4%	31.9%
Ave. Blend Level	8.1%	5.7%	3.1%	3.6%
B100 Sales	23.3 mg	14.0 mg	7.43 mg	7.43 mg

Source: Iowa Department of Revenue Retailers Motor Fuel Gallons Annual Reports

While 2013 statistics are not yet available, we are certain that the numbers will be much higher than 2012 due to the favorable blending economics created by higher RIN prices during most of 2013. Yes, higher RIN prices also lower biodiesel prices—saving consumers money compared to petroleum diesel—and boost biodiesel sales. This is confirmed by Michael Whitney of Musket Corporation (a wholly owned subsidiary of the Love’s Travel Stops and Country Stores), who stated the following in his testimony at EPA’s public hearing on the 2014 RVO proposal:

“The reason why we put biodiesel into diesel fuel is it is cheaper than diesel for us... We use this fuel because it is cheaper than diesel fuel... We’ve done investments in over 30 states over the last 3 years so that we can bring this fuel to our customers and provide them more competitively priced diesel... Our point of being here is and has been echoed by a lot of people on the panel is that a 1.28 billion number is actually a step backwards, and if you do not have an increasing RVO or it stagnates, what is going to happen? Quite simply, to our customers, their diesel fuel will be more expensive.”¹⁵

Unfortunately, due to the uncertainty created by EPA’s proposal, several Iowa biodiesel plants have recently stopped production.¹⁶ This is true across the country as well. And if the proposed volumes for 2014 and 2015 are finalized, it is likely that several biodiesel plants across the country will close permanently, eliminating thousands of good paying, green collar jobs. In the

¹⁵ Whitney, Michael. Testimony on behalf of Musket Corporation. EPA Public Hearing for the 2014 Standards for the Renewable Fuel Standard Program. December 5, 2013. Hearing Transcript, p. 254-256.

<http://www.regulations.gov/#!documentDetail;D=EPA-HQ-OAR-2013-0479-0738>

¹⁶ Eller, Donnelle. “Biodiesel plants idled by industry head winds.” *The Des Moines Register*. January 22, 2014.

<http://www.desmoinesregister.com/article/20140123/BUSINESS01/301230082/>

last several months of 2013, U.S. biodiesel plants were collectively producing at an annualized rate of over 2 billion gallons, and the proposed rule would essentially cut that annualized production rate in half to 1 billion gallons. It is very puzzling why the Administration would propose to cut the legs out from under the first commercially available and most successful Advanced Biofuel to date. IRFA encourages EPA to reverse this proposal and to finalize a 2014 RVO of at least 1.7 billion gallons so biodiesel plants in Iowa and around the country can resume production and continue doing what they do best—providing a petroleum diesel replacement that is better for engines, better for the environment, better for the economy, and better for energy security.

Sixth, EPA’s rationale for reducing 2014 RFS volumes is illegal, and if finalized, would ensure that RFS volumes are never raised in the future. As stated above, the EPA’s decision to reduce 2014 RFS volumes based on perceived infrastructure and marketplace concerns is both contrary to the statute and contrary to legislative history. If finalized, however, this “infrastructure waiver” rationale would add insult to injury by effectively rendering the RFS useless for years to come.

- It would lock the U.S. into an E10 status quo, limiting the growth of the corn-based ethanol industry, and effectively stalling out the cellulosic ethanol industry.

If finalized, EPA’s proposal would unnecessarily limit domestic demand for ethanol at a time when that demand is needed most. It would reduce domestic demand for corn by 500 million bushels following the record U.S. corn harvest of 2013. It would also likely send the price of corn below the cost of production, which would be devastating for the Iowa economy as well as the entire rural economy in the heartland of the U.S.

EPA’s proposal would create huge market uncertainty for cellulosic ethanol, chilling investment. It would essentially lock in an E10 status quo for the foreseeable future in the U.S. This would be incredibly damaging, because the success of cellulosic ethanol depends on growing domestic demand for E15 and higher ethanol blends. The cellulosic industry can’t scale up quickly if there isn’t a place in the market to consume ethanol gallons beyond E10 blend levels. The growth and success of the cellulosic industry also depends on the growth and success of the corn ethanol industry. If you weaken the corn ethanol industry (as this proposal would do), you weaken the opportunity for cellulosic expansion, because you are limiting the ability of corn ethanol producers to invest in this new technology.

- It would give the oil industry exclusive power to determine whether RVOs will ever increase in the future.

The purpose of the RFS was to increase renewable fuels usage in the U.S. far beyond E10 levels by using policy to drive higher production of renewable fuels and new investments in renewable fuel distribution infrastructure. However, EPA’s rationale to reduce the 2014 RFS volumes literally turns this purpose on its head by setting a precedent that, regardless of production capacity, renewable fuel volumes cannot increase unless the infrastructure to meet the higher volumes is already in place. This rationale is made even more unworkable by the fact that the oil industry would be largely responsible for voluntarily making renewable fuel infrastructure investments prior to RFS volumes ever increasing beyond E10 levels—literally assigning the fox to guard the hen house.

Babcock and Pouliot have reached the same conclusion on EPA's rationale:

EPA's justification for reducing ethanol mandates means that mandates will not be increased beyond E10 levels until the number of stations that sell E85 increase sufficiently. Our results demonstrate the number of stations that sell E85 will not increase until EPA sets ethanol mandates beyond E10 levels. If increased mandates need to wait for the stations to be built, mandates will never increase.¹⁷

Recently, two major retail chains have announced significant investments in E15 infrastructure. Murphy USA, which has over 1,200 stations nationwide, began selling registered E15 at one of its Arkansas locations and has plans to expand its E15 footprint throughout the U.S., including 7 locations in Iowa. Similarly, MAPCO has announced plans to begin offering E15 at its new-build and select mega-convenience store sites in 2014, with goals of eventually offering E15 at up to 100 of its 470 locations. While these two announcements by major independent retail chains were great news for E15, the EPA's proposal has already stunted major infrastructure investments by the petroleum industry. Take the example of Steve Walk of Protec Fuel:

A month ago, Steve Walk was on the brink of deals to sell two big oil refiners some of his company's specialized oil pumps, which serve up fuel that is 85 percent ethanol, a biofuel made mostly from corn. Walk's company, Protec Fuel, sells and installs the equipment needed to dispense so-called E85. The deals would have nearly doubled Protec's business, he said. The number of stations across the United States dispensing E85, which is a rarity despite the growing use of biofuels, would have jumped by 10 percent. But those deals are on hold after the U.S. Environmental Protection Agency's proposal earlier this month to slash the minimum volume of ethanol to be used in the country's gasoline supply next year. The surprise move by the Obama Administration marks a retreat from the 2007 Energy Independence and Security Act meant to push increased sales of biofuel. The proposal could be approved following a 60-day period for public comment. "It was just starting to get to the point where oil companies were saying, 'Fine, we'll start putting in alternative fuels.'" Walk, vice president of Protec Fuel in Boca Raton, Florida, said of deals he had in the works to build or retrofit pumps at some 450 stations. "Now those conversations have gone by the wayside. It's not canceled, but it's on hold."¹⁸

If the Administration does not stand behind a strong and growing RFS in accordance with the statute, the oil industry will never make significant infrastructure investments in higher ethanol blends through its branded networks, which still make up the vast majority of retail locations throughout the U.S.

In addition, the second most beneficial thing EPA could do to encourage independent retailers to offer E15—right behind finalizing statutory RFS volumes for 2014—would be to provide equal Reid Vapor Pressure (RVP) treatment for both E10 and E15. There is absolutely no scientific basis for the lack of equal RVP treatment for E10 and E15, and EPA should use its discretionary authority to remove this unnecessary and significant impediment to the adoption of E15.

¹⁷ Babcock, Bruce and Sebastien Pouliot. "Feasibility and Cost of Increasing US Ethanol Consumption Beyond E10." Center for Agricultural and Rural Development, Iowa State University. January 2014, p. 14.

<http://www.card.iastate.edu/publications/dbs/pdffiles/14pb17.pdf>

¹⁸ Hirtzer, Michael. "Analysis: High-ethanol gas – Not coming to a pump near you." *Reuters*. November 27, 2013. <http://www.reuters.com/assets/print?aid=USBRE9AQ1AU20131127>

As you deliberate on this proposal in the coming days and weeks, we ask you to consider the reasons the RFS was implemented in the first place. When President Bush signed the RFS2 into law just over six years ago, he stated, “Today, we make a major step... toward reducing our dependence on oil, confronting global climate change, expanding the production of renewable fuels and giving future generations of our country a nation that is stronger, cleaner and more secure.”¹⁹ Notice he didn’t say “protecting oil industry profits,” or “making things comfortable and convenient for the oil industry,” or “making sure that the U.S. remains 90 percent dependent on oil for our transportation fuel needs,” or “giving the oil industry the power to dictate whether RFS volumes will ever increase in the future.”

President Obama understood this as one of the strongest and earliest supporters of RFS2. In fact, when he first ran for President in 2008, he not only supported the current RFS of 36 billion gallons by 2022, but his energy plan called for increasing the RFS to 60 billion gallons by 2030.

The RFS is working. Please allow it to keep working. Reject the current proposal and finalize 2014 volumes of 14.4 billion gallons for corn ethanol and at least 1.7 billion gallons for biodiesel. If you’re serious about cleaner fuels, consumer choice, and cutting oil dependence, don’t turn your back on us now. Don’t mess with the RFS.

We stand ready to work with you and to provide any further information or background on this issue where we may be of assistance. Please do not hesitate to contact me at mshaw@IowaRFA.org or 515-252-6249.

Sincerely,

A handwritten signature in black ink that reads "Monte Shaw". The signature is written in a cursive, slightly slanted style.

Monte Shaw
Executive Director

¹⁹ “President Bush Signs H.R. 6, the Energy Independence and Security Act of 2007.” The White House. December 19, 2007. <http://georgewbush-whitehouse.archives.gov/news/releases/2007/12/20071219-6.html>

ATTACHMENT B

**National Corn Statistics:
Average Cost of Production vs. Average Price Per Bushel**

Year ¹	Cost per Acre ²	Yield ³	Production Cost per Bushel (calculated)	Average Price per Bushel ³	Below Cost Differential (calculated)	
2014	\$688.90	171	\$4.03	\$3.65	(\$0.38)	RFS Paused
2013	\$676.45	158.1	\$4.28	\$4.46	\$0.18	
2012	\$653.57	123.4	\$5.30	\$6.89	\$1.59	
2011	\$613.46	147.2	\$4.17	\$6.22	\$2.05	
2010	\$550.20	152.8	\$3.60	\$5.18	\$1.58	RFS
2009	\$550.70	164.7	\$3.34	\$3.55	\$0.21	
2008	\$529.38	153.9	\$3.44	\$4.06	\$0.62	
2007	\$443.97	150.7	\$2.95	\$4.20	\$1.25	
2006	\$409.74	149.1	\$2.75	\$3.04	\$0.29	
2005	\$386.88	147.9	\$2.62	\$2.00	(\$0.62)	
2004	\$377.50	160.3	\$2.35	\$2.06	(\$0.29)	
2003	\$354.41	142.2	\$2.49	\$2.42	(\$0.07)	
2002	\$334.31	129.3	\$2.59	\$2.32	(\$0.27)	
2001	\$348.53	138.2	\$2.52	\$1.97	(\$0.55)	
2000	\$378.32	136.9	\$2.76	\$1.85	(\$0.91)	
1999	\$364.73	133.8	\$2.73	\$1.82	(\$0.91)	
1998	\$362.86	134.4	\$2.70	\$1.94	(\$0.76)	
1997	\$363.73	126.7	\$2.87	\$2.43	(\$0.44)	
1996	\$353.94	127.1	\$2.78	\$2.71	(\$0.07)	
1995	\$333.42	113.5	\$2.94	\$3.24	\$0.30	
1994	\$321.47	138.6	\$2.32	\$2.26	(\$0.06)	
1993	\$287.10	100.7	\$2.85	\$2.50	(\$0.35)	
1992	\$302.33	131.5	\$2.30	\$2.07	(\$0.23)	
1991	\$292.55	108.6	\$2.69	\$2.37	(\$0.32)	
1990	\$292.52	118.5	\$2.47	\$2.28	(\$0.19)	
1989	\$284.89	116.3	\$2.45	\$2.36	(\$0.09)	
1988	\$262.57	84.6	\$3.10	\$2.54	(\$0.56)	
1987	\$244.57	119.8	\$2.04	\$1.94	(\$0.10)	
1986	\$243.12	119.4	\$2.04	\$1.50	(\$0.54)	
1985	\$277.01	118	\$2.35	\$2.23	(\$0.12)	
1984	\$289.02	106.7	\$2.71	\$2.63	(\$0.08)	
1983	\$258.45	81.1	\$3.19	\$3.21	\$0.02	
1982	\$270.86	113.2	\$2.39	\$2.55	\$0.16	
1981	\$278.60	108.9	\$2.56	\$2.50	(\$0.06)	

Footnotes

- 1 Corn Marketing Year
- 2 USDA Economic Research Service:
<http://www.ers.usda.gov/data-products/commodity-costs-and-returns.aspx>
- 3 USDA National Agricultural Statistics Service:
<http://quickstats.nass.usda.gov/>

ATTACHMENT C



Department of Justice

THOMAS J. MILLER
ATTORNEY GENERAL

ADDRESS REPLY TO:
HOOVER BUILDING
DES MOINES, IOWA 50319
TELEPHONE: 515-281-5164
FACSIMILE: 515-281-4902

January 28, 2014

Gina McCarthy, Administrator
U.S. Environmental Protection Agency
Air and Radiation Docket
Docket ID No. EPA-HQ-OAR-2013-0479
Docket ID No. EPA-HQ-OAR-2013-0747
Mailcode: 6102T
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator McCarthy:

The purpose of this letter is to comment on EPA's proposed 2014 Standards for the Renewable Fuel Standard Program, and the related petitions urging EPA to waive the applicable statutory renewable fuel standards contained in the Clean Air Act, section 211(o)(2)(B). While we appreciate EPA's past efforts to implement this important program, the current proposal ignores the express terms of the statute and would contravene Congressional intent to foster increased production of renewable fuels. The production of renewable fuels is a critical part of Iowa's economy - providing a key market for agricultural crops and creating thousands of jobs.

EPA's proposed 2014 Renewable Fuel Standards rely, in part, on the general waiver authority contained in section 211(o)(7)(A), which authorizes the Administrator to waive the statutory standards and reduce the "national quantity of renewable fuel" required under section 211(o)(2). This general waiver is authorized only when implementation of the statutory standards would severely harm the economy or when there is an "inadequate domestic supply." Clean Air Act, section 211(o)(7)(A)(i) and (ii).

EPA is not proposing to find that implementation of the standards would severely harm the economy, but instead concludes that there is an "inadequate domestic supply." EPA reaches this conclusion by suggesting that the phrase "inadequate domestic supply" is ambiguous and should be interpreted to allow consideration, not only of factors affecting the ability to produce renewable fuels but also "factors affecting the ability to distribute, blend, dispense, and consume those renewable fuels." 78 Fed. Reg. 230, 71755 (Nov. 29, 2013).

Review of EPA's construction of the statutes it administers is governed by the two-part test in *Chevron, U.S.A., Inc. v. Natural Resources Defense Council, Inc.*, 467 U.S. 837, 842-843 (1984). First, if the intent of Congress is clear, the court as well as the agency must give effect to the unambiguously expressed intent of Congress. *Id.* Second, if Congress has not directly addressed the precise question at issue, then the agency's answer must be a permissible construction of the statute. *Id.*

The statute here is not ambiguous. The general waiver provision expressly provides that the EPA may reduce "the national quantity of renewable fuel" under paragraph 2 of section 211(o) if it determines that there is an "inadequate domestic supply." Clean Air Act, section 211(o)(7)(A)(ii). The latter phrase authorizes a general waiver only when there is an inadequate domestic supply of "renewable fuel," not blended fuel.

The national renewable fuel standards in paragraph 2 of section 211(o) specify the "applicable volume of renewable fuel," which must be contained within "transportation fuel." Similarly, the general waiver phrase "inadequate domestic supply" refers, not to blended fuel, but to the supply of "renewable fuel." "Renewable fuel" is defined to mean "fuel that is produced from renewable biomass and that is used to replace or reduce the quantity of fossil fuel present in a transportation fuel." Clean Air Act, section 211(o)(1)(J).

Accordingly, general waiver of the national renewable fuel standards under section 211(o)(7)(A)(ii) is not authorized unless there is an inadequate domestic supply of renewable fuel, not blended fuel.

Other factors such as distribution capacity of blended fuel provide no basis for a general waiver under section 211(o)(7)(A)(ii). This analysis is buttressed by other provisions in section 211 which, unlike the general waiver provision in section 211(o)(7)(A)(ii), expressly authorize consideration of "distribution capacity." *E.g.*, Clean Air Act, section 211(m)(3)(C)(i) (authorizing waiver of requirements for oxygenated gasoline when there is an "inadequate domestic supply of, or distribution capacity for, oxygenated gasoline"); section 211(c)(4)(C)(ii)(I) (authorizing temporary waiver of controls relating to fuels and fuel additive which would "prevent the distribution of an adequate supply of the fuel or fuel additive to consumers"); and sections 211(k)(6)(B)(i)(I) and (iii)(I) (authorizing deferral of reformulated gasoline requirements in a State that opts in to the program where "there is insufficient capacity to supply reformulated gasoline").

In addition, Congress' express inclusion of the term "distribution capacity" in other sections of the same Act provides further proof that Congress did not intend for the EPA to consider "distribution capacity" under the general waiver provision of section 211(o)(7)(A)(ii). *See Sebelius v. Cloer*, 133 S. Ct. 1886, 1894 (2013) ("where Congress includes particular language in one section of a statute but omits it in another section of the same Act, it is generally presumed that Congress acts intentionally and purposefully in the disparate inclusion or exclusion.").

The legislative history of section 211 also makes clear that Congress did not authorize a general waiver of the national renewable fuel standards based on “distribution capacity.” The House of Representatives’ version of the Energy Policy Act of 2005 would have expressly authorized a general waiver if there was an “inadequate domestic supply *or distribution capacity to meet the requirement.*” Energy Policy Act of 2005, H.R. 6, 109th Cong. § 1501(a)(2) (emphasis added). The Senate removed that emphasized language and the final statute was adopted accordingly. Pub. L. 109-58, 119 Stat. 594, § 1501(a)(2).

Even if the statute was ambiguous, the EPA’s proposed waiver under section 211(o)(7)(A)(ii) would not be a permissible construction of the statute. The Congressional purpose in enacting the renewable fuel standards was “to move the United States towards greater energy independence and security” and “to increase the production of clean renewable fuels.” Energy Independence and Security Act of 2007, Pub. L. 110-140, 121 Stat. 1492. Congress sought to achieve those purposes by establishing enforceable national renewable standards, increasing in increments between 2006 and 2022, thereby allowing the fuel industry to make necessary adjustments. If the EPA waived national renewable fuel standards, not because of an inadequate supply of renewable fuel, but rather because of limited distribution capacity of blended fuels, it would be removing the incentives adopted by Congress to foster increased production of renewable fuels and greater energy independence.

We respectfully request that you decline to waive the national renewable fuel standards under section 211(o)(7)(A)(ii), except when there is an inadequate domestic supply of renewable fuels, not blended fuel. Thank you for your consideration.

Sincerely,



THOMAS J. MILLER
Attorney General of Iowa
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1305 E. Walnut, 2nd Floor
Des Moines, IA 50319
Phone: (515) 281-5164
Fax: (515) 281-4209
E-mail: Thomas.Miller@iowa.gov

ATTACHMENT D

A Survey of Voter Attitudes in Iowa

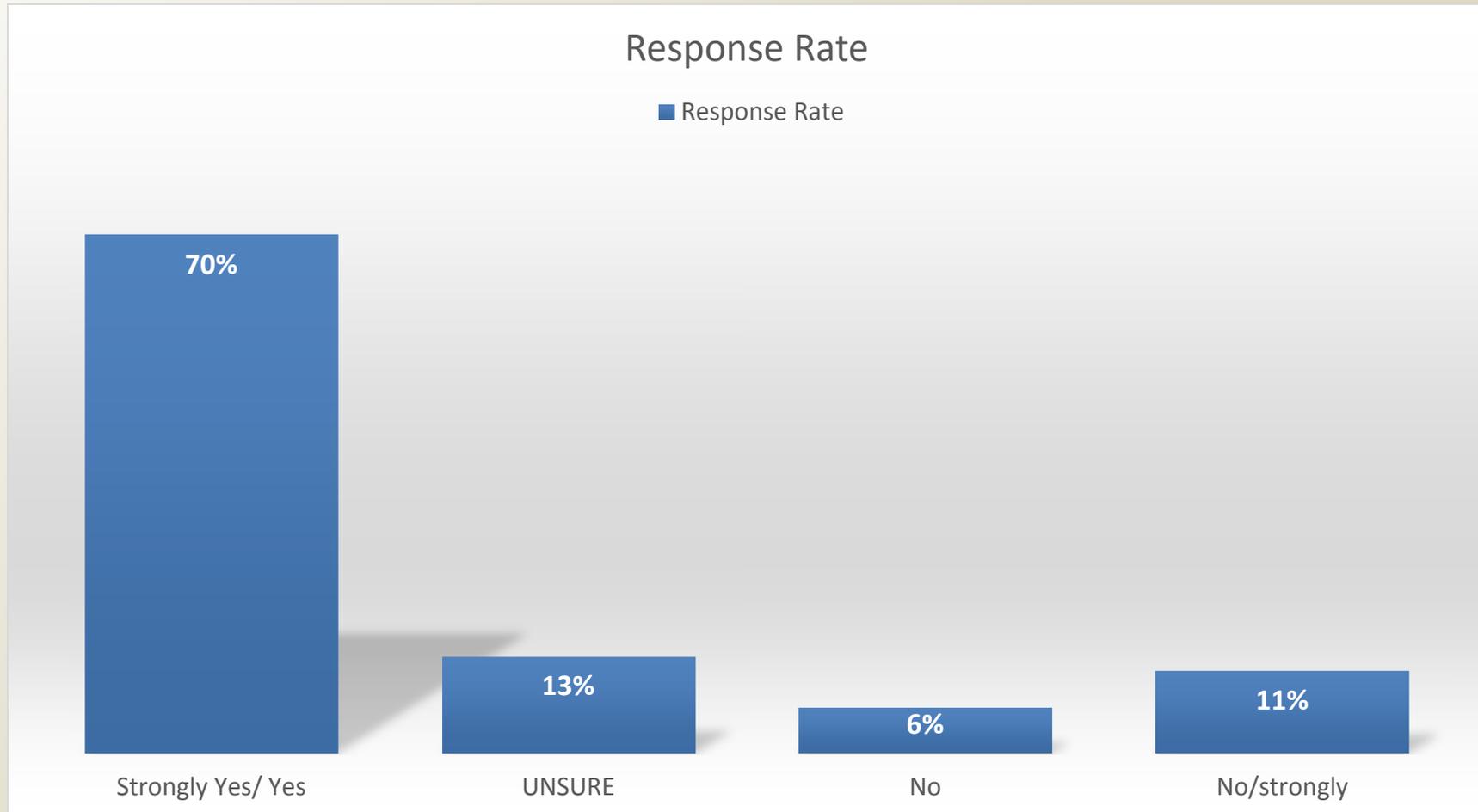
June 8-10, 2015



THE TARRANCE GROUP

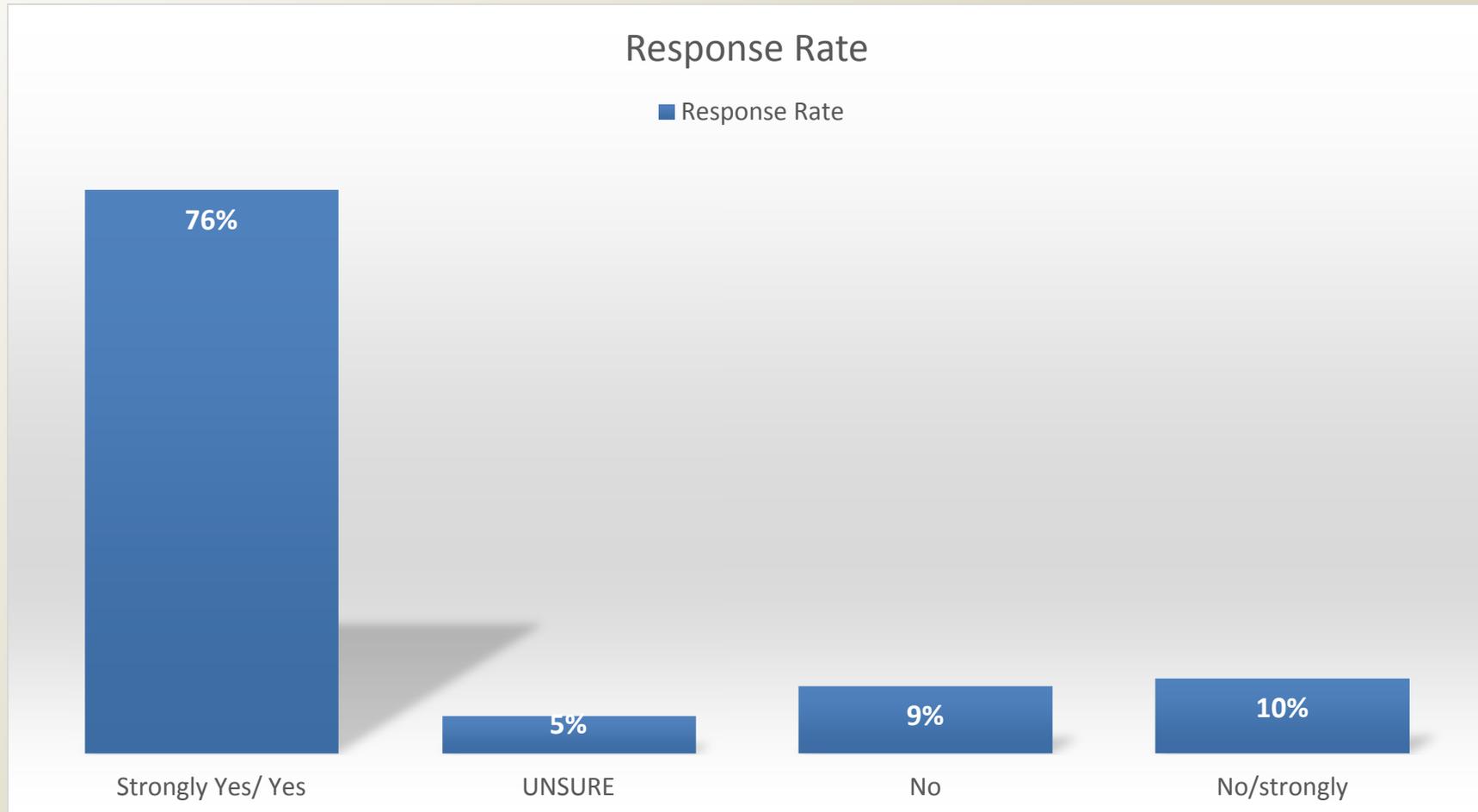
June 8-10, 2015N = 500 Registered "likely" voters/ ±4.5% M.O.E.

If E-15 were approved for your vehicle and cheaper than E-10 fuel, would you, yourself, consider using E-15 fuel in a vehicle that you own?



June 8-10, 2015N = 500 Registered "likely" voters/ ±4.5% M.O.E.

If the place you usually stop for gas did not offer E-15 and you knew this fuel would save you between 5 and 10 cents per gallon, would you consider switching to a nearby place to buy your fuel?



ATTACHMENT E

Blender Pump Stations

Ethanol Sales

Fuel Time - St. Ansgar

May '15	Percentage
E0	10.4%
E10	38.3%
E15	10.4%
E30	10.0%
E85	30.8%
Total	100.0%

Station RFS 34.6%

Fast Stop - Cresco

May '15	Percentage
E0	0.0%
E10	28.0%
E15	8.9%
E20	3.2%
E30	22.3%
E85	37.7%
Total	100.0%

Station RFS 43.5%

Five Star Coop -- 3 combined Iowa locations

Stations RFS 23.7%

(specific product breakout not provided to IRFA)

ATTACHMENT F

ATTACHMENT F

Photo of Gasoline Dispenser at Casey's General Store in Johnston, IA, showing 40 cent price spread between E10 (87 octane) and E0 (87 octane).

Photo taken on July 27, 2015.

Store located at 6417 N. Glenn Drive, Johnston, IA 50131



ATTACHMENT G

	10/7/2013	10/14/2013	10/21/2013	10/28/2013	11/4/2013	11/11/2013	12/2/2014
Absolute Energy	\$1.85	\$1.86	\$1.81	\$1.87	\$1.85	\$1.81	\$2.02
<i>Ethanol Content (%)</i>	83%	80%	80%	80%	74%	74%	74%
Hartland Fuel Products	\$2.01	\$2.03	\$2.09	\$2.12	\$1.98	\$2.01	\$2.22
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%
Hartland Fuel Products	\$2.06	\$2.07	\$2.13	\$2.15	\$2.00	\$2.04	\$2.24
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%
HollyFrontier					\$2.08	\$2.10	\$2.45
<i>Ethanol Content (%)</i>					70%	70%	70%
Quad County Corn Processors	\$1.80	\$1.91	\$1.93	\$1.90	\$1.71	\$1.70	\$2.31
<i>Ethanol Content (%)</i>	83%	75%	75%	75%	70%	70%	70%
RPMG	\$1.91	\$1.97	\$1.99	\$1.99	\$1.98	\$1.87	\$2.25
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%
Siouxland Energy Cooperative	\$1.75	\$1.89	\$1.90	\$1.89	\$1.71	\$1.70	\$2.30
<i>Ethanol Content (%)</i>	80%	80%	80%	80%	78%	78%	70%
The Anderson-Denison	\$1.89	\$1.84	\$1.87	\$1.86	\$1.68	\$1.69	\$2.26
<i>Ethanol Content (%)</i>	85%	80%	80%	80%	78%	78%	78%
Valer Corp.	\$1.93	\$2.06	\$2.04	\$2.04	\$1.86	\$1.79	\$2.33
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	\$2.05	\$2.12	\$2.10	\$2.09	\$1.99	\$1.94	\$2.30
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	\$2.01	\$2.03	\$2.10	\$2.12	\$1.98	\$2.01	\$2.23
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%
OPIS National Avg. RIN Price	\$0.41	\$0.32	\$0.31	\$0.20	\$0.28	\$0.26	\$0.29
OPIS Des Moines Terminal Avg. Regular Gas (E0)	\$2.81	\$2.87	\$2.81	\$2.69	\$2.69	\$2.61	\$2.60
<i>(for comparison)</i>							
*All prices are rounded to the nearest penny							

	12/9/2013	12/16/2013	12/23/2013	12/30/2013
Absolute Energy	\$2.09	\$2.08	\$1.97	\$1.99
<i>Ethanol Content (%)</i>	70%	70%	70%	70%
Hartland Fuel Products	\$2.30	\$2.28	\$2.16	\$2.21
<i>Ethanol Content (%)</i>	75%	75%	75%	75%
Hartland Fuel Products	\$2.31	\$2.28	\$2.20	\$2.24
<i>Ethanol Content (%)</i>	70%	70%	70%	70%
HollyFrontier	\$2.38	\$2.31	\$2.25	\$2.25
<i>Ethanol Content (%)</i>	70%	70%	70%	70%
Quad County Corn Processors	\$2.27	\$1.97	\$1.97	
<i>Ethanol Content (%)</i>	70%	70%	70%	70%
RPMG	\$2.30	\$2.20	\$2.15	\$2.15
<i>Ethanol Content (%)</i>	70%	70%	70%	70%
Siouxland Energy Cooperative	\$2.25	\$1.97	\$2.05	
<i>Ethanol Content (%)</i>	70%	70%	70%	70%
The Anderson-Denison	\$2.21	\$1.91	\$1.96	\$1.99
<i>Ethanol Content (%)</i>	78%	78%	78%	78%
Valer Corp.	\$2.34	\$2.23	\$2.16	\$2.15
<i>Ethanol Content (%)</i>	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	\$2.35	\$2.27	\$2.22	\$2.22
<i>Ethanol Content (%)</i>	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	\$2.30	\$2.28	\$2.17	\$2.21
<i>Ethanol Content (%)</i>	75%	75%	75%	75%
OPIS National Avg. RIN Price	\$0.39	\$0.29	\$0.31	\$0.33
OPIS Des Moines Terminal Avg. Regular Gas (E0)	\$2.62	\$2.47	\$2.71	\$2.76
<i>(for comparison)</i>				
*All prices are rounded to the nearest penny				

	1/6/2014	1/13/2014	2/3/2014	2/10/2014	2/17/2014	2/24/2014	3/3/2014	3/10/2014	3/17/2014
Absolute Energy	\$1.97	\$2.00	\$1.76	\$1.68	\$1.65	\$1.71	\$1.87	\$1.91	
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	
Cenex									
<i>Ethanol Content (%)</i>									
Flint Hills Resources									
<i>Ethanol Content (%)</i>									
Hartland Fuel Products	\$2.10	\$2.14	\$1.98	\$2.02	\$1.81	\$1.94	\$2.05	\$2.28	\$2.29
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%	75%	75%
Hartland Fuel Products	\$2.14	\$2.08	\$2.02	\$2.07	\$1.88	\$2.01	\$2.12	\$2.33	\$2.33
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
HollyFrontier	\$2.23	\$2.20	\$2.12	\$2.09	\$2.04	\$2.04	\$2.13	\$2.25	\$2.36
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
Little Sioux Corn Processors									
<i>Ethanol Content (%)</i>									
Noble Mansfield									
<i>Ethanol Content (%)</i>									
Quad County Corn Processors	\$1.98	\$2.01	\$1.76	\$1.75	\$1.79	\$1.84	\$2.06	\$2.04	\$2.25
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
RPMG	\$2.17	\$2.10	\$2.00	\$1.92	\$1.85	\$1.85	\$2.10		
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%		
Siouxland Energy Cooperative	\$1.97	\$2.01	\$1.71	\$1.70	\$1.75	\$1.77	\$2.03	\$2.03	\$2.22
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
The Andersons-Denison	\$1.99	\$2.00	\$1.67	\$1.63	\$1.53	\$1.67	\$1.92	\$2.04	\$2.32
<i>Ethanol Content (%)</i>	76%	76%	76%	76%	76%	76%	76%	76%	76%
Valer Corp.	\$2.08	\$2.11	\$1.94	\$1.90	\$1.93	\$1.97	\$2.14	\$2.23	\$2.36
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	\$2.16	\$2.15	\$2.01	\$1.98	\$1.95	\$1.99	\$2.14	\$2.27	\$2.37
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	\$2.10	\$2.14	\$1.98	\$2.02	\$1.82	\$1.94	\$2.05	\$2.28	\$2.29
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%	75%	75%
OPIS National Avg. RIN Price	\$0.33	\$0.31	\$0.42	\$0.53		\$0.55	\$0.49	\$0.52	\$0.46

OPIS Des Moines Terminal Avg. Regular Gas (E0)	\$2.66	\$2.73	\$2.77	\$2.86	\$2.98	\$3.04	\$3.10	\$3.14	\$3.12
<i>(for comparison)</i>									
*All prices are rounded to the nearest penny									
Ave Comp. E85 Price (DM Terminal)	\$2.33	\$2.33	\$2.17	\$2.24		\$2.34	\$2.45	\$2.64	\$2.70
Ave Ethanol Plant Price	\$1.98	\$2.01	\$1.73	\$1.69	\$1.68	\$1.75	\$1.97	\$2.01	\$2.26
Discount for Preblended/Plant E85	\$0.35	\$0.33	\$0.45	\$0.55		\$0.59	\$0.48	\$0.64	\$0.44
Prorated OPIS National Avg. RIN Price	\$0.23	\$0.22	\$0.29	\$0.37		\$0.39	\$0.34	\$0.36	\$0.32
(% of RIN to match % of Eth)	70%	70%	70%	70%		70%	70%	70%	70%
Plant Price Discount less Prorated RIN value	\$0.12	\$0.11	\$0.15	\$0.18		\$0.21	\$0.14	\$0.27	\$0.11
	1/6/2014	1/13/2014	2/3/2014	2/10/2014		2/24/2014	3/3/2014	3/10/2014	3/17/2014

	3/24/2014	3/31/2014	4/7/2014	4/14/2014	4/21/2014	4/28/2014	5/5/2014	5/12/2014	5/19/2014
Absolute Energy	\$2.13	\$2.42	\$2.36	\$2.31	\$2.17	\$2.02	\$1.89	\$1.90	\$1.86
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	83%	83%	83%
Cenex									
<i>Ethanol Content (%)</i>									
Flint Hills Resources									
<i>Ethanol Content (%)</i>									
Hartland Fuel Products	\$2.73	\$2.87	\$2.59	\$3.09	\$2.93	\$2.77	\$2.66	\$2.29	\$2.32
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%	75%	75%
Hartland Fuel Products	\$2.75	\$2.87	\$2.62	\$3.11	\$2.96	\$2.81	\$2.71	\$2.33	\$2.36
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
HollyFrontier	\$2.70	\$3.05	\$3.00	\$2.97	\$2.88	\$2.79	\$2.74	\$2.72	\$2.63
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
Little Sioux Corn Processors									
<i>Ethanol Content (%)</i>									
Noble Mansfield									
<i>Ethanol Content (%)</i>									
Quad County Corn Processors	\$2.58	\$3.08	\$2.41	\$2.44	\$2.23	\$2.08	\$1.96	\$2.03	
<i>Ethanol Content (%)</i>	70%	70%	75%	75%	75%	75%	75%	75%	
RPMG								\$2.30	\$2.30
<i>Ethanol Content (%)</i>								70%	70%
Siouxland Energy Cooperative	\$2.57	\$3.05	\$2.54	\$2.41	\$2.20	\$2.06	\$1.91	\$1.98	\$2.03
<i>Ethanol Content (%)</i>	70%	75%	75%	75%	75%	75%	80%	80%	80%
The Andersons-Denison	\$2.54	\$2.83	\$2.21	\$2.28	\$2.17	\$2.05	\$1.93	\$1.92	\$1.97
<i>Ethanol Content (%)</i>	76%	76%	76%	76%	76%	76%	85%	85%	85%
Valer Corp.	\$2.70	\$2.81	\$2.68	\$2.71	\$2.53	\$2.36	\$2.32	\$2.25	\$2.25
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	\$2.71	\$2.89	\$2.78	\$2.86	\$2.71	\$2.57	\$2.49	\$2.36	\$2.36
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	\$2.73	\$2.87	\$2.59	\$3.09	\$2.93	\$2.77	\$2.66	\$2.29	\$2.32
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%	75%	75%
OPIS National Avg. RIN Price	\$0.52	\$0.51	\$0.48	\$0.42	\$0.42	\$0.39	\$0.41	\$0.45	\$0.49

OPIS Des Moines Terminal Avg. Regular Gas (E0)	\$3.08	\$3.09	\$3.12	\$3.15	\$3.14	\$3.13	\$3.05	\$3.02	\$3.09
<i>(for comparison)</i>									
*All prices are rounded to the nearest penny									
Ave Comp. E85 Price (DM Terminal)	\$3.01	\$3.25	\$3.16	\$3.07	\$2.87	\$2.69	\$2.54	\$2.51	\$2.54
Ave Ethanol Plant Price	\$2.46	\$2.85	\$2.38	\$2.36	\$2.19	\$2.05	\$1.92	\$1.96	\$1.95
Discount for Preblended/Plant E85	\$0.56	\$0.41	\$0.78	\$0.71	\$0.68	\$0.64	\$0.62	\$0.55	\$0.59
Prorated OPIS National Avg. RIN Price	\$0.36	\$0.36	\$0.36	\$0.32	\$0.32	\$0.29	\$0.33	\$0.36	\$0.41
(% of RIN to match % of Eth)	70%	70%	75%	75%	75%	75%	80%	80%	83%
Plant Price Discount less Prorated RIN value	\$0.19	\$0.05	\$0.42	\$0.40	\$0.36	\$0.35	\$0.29	\$0.19	\$0.18
	3/24/2014	3/31/2014	4/7/2014	4/14/2014	4/21/2014	4/28/2014	5/5/2014	5/12/2014	5/19/2014

	5/26/2014	6/2/2014	6/9/2014	6/16/2014	6/23/2014	6/30/2014	7/7/2014	7/14/2014	7/21/2014
Absolute Energy	\$1.91	\$1.93	\$1.83	\$1.79	\$1.64	\$1.66	\$1.67	\$1.71	\$1.71
<i>Ethanol Content (%)</i>	83%	83%	83%	83%	83%	83%	83%	83%	83%
Cenex									
<i>Ethanol Content (%)</i>									
Flint Hills Resources									
<i>Ethanol Content (%)</i>									
Hartland Fuel Products	\$2.33	\$2.37	\$2.26	\$2.19	\$2.12	\$2.09	\$2.11	\$2.11	\$1.99
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%	75%	75%
Hartland Fuel Products	\$2.38	\$2.41	\$2.31	\$2.25	\$2.19	\$2.15	\$2.17	\$2.16	\$2.05
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
HollyFrontier	\$2.57	\$2.57	\$2.51	\$2.48	\$2.44	\$2.43	\$2.43	\$2.41	\$2.38
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
Little Sioux Corn Processors									
<i>Ethanol Content (%)</i>									
Noble Mansfield									
<i>Ethanol Content (%)</i>									
Quad County Corn Processors		\$2.10	\$1.99	\$1.96	\$1.76	\$1.81	\$1.87	\$1.88	\$1.84
<i>Ethanol Content (%)</i>		75%	75%	85%	85%	85%	85%	85%	85%
RPMG	\$2.30	\$2.30	\$2.20	\$2.20	\$2.15	\$2.08	\$2.06	\$2.00	\$1.93
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
Siouxland Energy Cooperative	\$1.98	\$2.05	\$1.94	\$1.94	\$1.72	\$1.77	\$1.84	\$1.85	\$1.81
<i>Ethanol Content (%)</i>	80%	80%	80%	80%	80%	80%	80%	80%	80%
The Andersons-Denison	\$2.00	\$2.02	\$1.96	\$1.92	\$1.78	\$1.80	\$1.86	\$1.92	\$1.86
<i>Ethanol Content (%)</i>	85%	85%	85%	85%	85%	85%	85%	85%	85%
Valer Corp.	\$2.29	\$2.29	\$2.20	\$2.20	\$2.16	\$2.16	\$2.12	\$2.14	\$2.13
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	\$2.36	\$2.38	\$2.30	\$2.27	\$2.12	\$2.19	\$2.18	\$2.19	\$2.13
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	\$2.33	\$2.37	\$2.26	\$2.19	\$2.24	\$2.09	\$2.11	\$2.11	\$1.99
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%	75%	75%
OPIS National Avg. RIN Price		\$0.45	\$0.45	\$0.46	\$0.57	\$0.55	\$0.53	\$0.49	\$0.52

OPIS Des Moines Terminal Avg. Regular Gas (E0)	\$3.13	\$3.12	\$3.10	\$3.18	\$3.23	\$3.15	\$3.09	\$2.98	\$2.92
<i>(for comparison)</i>									
*All prices are rounded to the nearest penny									
Ave Comp. E85 Price (DM Terminal)		\$2.61	\$2.49	\$2.44	\$2.41	\$2.36	\$2.35	\$2.36	\$2.34
Ave Ethanol Plant Price	\$1.96	\$2.03	\$1.93	\$1.90	\$1.73	\$1.76	\$1.81	\$1.84	\$1.81
Discount for Preblended/Plant E85		\$0.59	\$0.56	\$0.54	\$0.69	\$0.60	\$0.54	\$0.52	\$0.54
Prorated OPIS National Avg. RIN Price		\$0.37	\$0.37	\$0.38	\$0.47	0.4565	0.4399	0.4067	0.4316
(% of RIN to match % of Eth)		83%	83%	83%	83%	0.83	0.83	0.83	0.83
Plant Price Discount less Prorated RIN value		\$0.21	\$0.19	\$0.16	\$0.21	\$0.14	\$0.10	\$0.11	\$0.10
		6/2/2014	6/9/2014	6/16/2014	6/23/2014	6/30/2014	7/7/2014	7/14/2014	7/21/2014

	7/28/2014	8/18/2014	8/25/2014	9/8/2014	9/15/2014	9/22/2014	9/29/2014	10/6/2014	10/13/2014
Absolute Energy	\$1.70	\$1.76	\$1.83	\$1.69	\$1.51	\$1.38	\$1.26	\$1.18	\$1.26
<i>Ethanol Content (%)</i>	83%	83%	83%	83%	83%	83%	83%	83%	83%
Cenex						\$2.08	\$1.83	\$1.71	\$1.69
<i>Ethanol Content (%)</i>						70%	70%	70%	70%
Flint Hills Resources						\$2.15	\$2.00	\$2.00	\$1.70
<i>Ethanol Content (%)</i>						70%	70%	70%	70%
Hartland Fuel Products	\$2.05	\$2.17	\$2.10	\$2.07	\$1.93	\$1.96	\$1.69	\$1.60	\$1.63
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%	75%	75%
Hartland Fuel Products	\$2.10	\$2.22	\$2.15	\$2.12	\$1.99	\$2.01	\$1.76	\$1.66	\$1.68
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
HollyFrontier	\$2.36	\$2.28	\$2.35	\$2.37	\$2.26	\$2.16	\$2.05	\$1.94	\$1.90
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
Little Sioux Corn Processors									
<i>Ethanol Content (%)</i>									
Noble Mansfield						\$1.78	\$1.76	\$1.64	\$1.66
<i>Ethanol Content (%)</i>						70%	70%	70%	70%
Quad County Corn Processors	\$1.84	\$1.94	\$1.93	\$1.82	\$1.59	\$1.44	\$1.35	\$1.33	\$1.37
<i>Ethanol Content (%)</i>	85%	85%	85%	85%	85%	85%	85%	75%	75%
RPMG	\$1.97	\$2.05	\$2.05	\$2.00	\$2.00	\$2.00	\$1.85	\$1.55	\$1.55
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
Siouxland Energy Cooperative	\$1.81	\$1.91	\$1.90	\$1.79	\$1.58	\$1.43	\$1.34	\$1.29	\$1.33
<i>Ethanol Content (%)</i>	80%	80%	80%	80%	80%	80%	80%	75%	75%
The Andersons-Denison	\$1.82	\$1.83	\$1.79	\$1.69	\$1.49	\$1.38	\$1.29	\$1.34	\$1.36
<i>Ethanol Content (%)</i>	85%	85%	85%	85%	85%	85%	85%	76%	76%
Valer Corp.	\$2.19	\$2.33	\$2.30	\$2.19	\$2.04	\$1.97	\$1.88	\$1.78	\$1.80
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	\$2.17	\$2.24	\$2.23	\$2.18	\$2.06	\$1.99	\$1.86	\$1.75	\$1.72
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	\$2.05	\$2.17	\$2.10	\$2.07	\$1.93	\$1.96	\$1.69	\$1.60	\$1.63
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%	75%	75%
OPIS National Avg. RIN Price	\$0.52	\$0.50	\$0.50	\$0.49	\$0.45	\$0.45	\$0.46	\$0.47	\$0.48

OPIS Des Moines Terminal Avg. Regular Gas (E0)	\$2.90	\$2.93	\$2.95	\$2.93	\$2.81	\$2.82	\$2.85	\$2.63	\$2.52
<i>(for comparison)</i>									
*All prices are rounded to the nearest penny									
Ave Comp. E85 Price (DM Terminal)	\$2.32	\$2.43	\$2.42	\$2.39	\$2.23	\$2.06	\$1.95	\$1.84	\$1.89
Ave Ethanol Plant Price	\$1.79	\$1.86	\$1.86	\$1.75	\$1.54	\$1.41	\$1.31	\$1.29	\$1.33
Discount for Preblended/Plant E85	\$0.53	\$0.57	\$0.56	\$0.64	\$0.69	\$0.65	\$0.64	\$0.56	\$0.56
Prorated OPIS National Avg. RIN Price	0.4316	0.415	0.415	0.4067	0.3735	0.3735	0.3818	\$0.38	\$0.38
(% of RIN to match % of Eth)	0.83	0.83	0.83	0.83	0.83	0.83	0.83	0.8	0.8
Plant Price Discount less Prorated RIN value	\$0.10	\$0.16	\$0.14	\$0.24	\$0.31	\$0.28	\$0.26	\$0.18	\$0.18
	7/28/2014	8/18/2014	8/25/2014	9/8/2014	9/15/2014	9/22/2014	9/29/2014	10/6/2014	10/13/2014

	10/20/2014	10/27/2014		11/10/2014	11/17/2014	11/24/2014	12/1/2014	12/15/2014
Absolute Energy	\$1.35	\$1.34		\$1.62	\$1.72	\$1.82	\$1.93	\$1.57
<i>Ethanol Content (%)</i>	83%	83%	83%	70%	70%	70%	70%	70%
Cenex	\$1.75	\$1.84		\$1.94	\$1.98	\$2.18	\$2.22	\$1.88
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
Flint Hills Resources	\$1.70	\$1.90		\$2.10	\$2.25	\$2.25	\$2.25	\$1.90
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
Hartland Fuel Products	\$1.81	\$1.84		\$1.82	\$2.11	\$1.97	\$2.28	\$1.68
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%	75%
Hartland Fuel Products	\$1.86	\$1.89		\$1.84	\$2.10	\$1.97	\$2.26	\$1.68
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
HollyFrontier	\$1.94	\$1.92		\$2.04	\$2.20	\$2.31	\$2.38	\$1.98
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
Little Sioux Corn Processors	\$1.46	\$1.47		\$1.70	\$1.85	\$1.94	\$1.84	\$1.50
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
Noble Mansfield	\$1.70	\$1.75		\$1.96	\$2.07	\$2.09	\$2.26	\$1.68
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
Quad County Corn Processors	\$1.49	\$1.44		\$1.75	\$1.94		\$2.17	\$1.48
<i>Ethanol Content (%)</i>	75%	75%	75%	70%	70%	70%	70%	70%
RPMG	\$1.65	\$1.75		\$1.75	\$1.90	\$1.98	\$2.02	\$1.60
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
Siouxland Energy Cooperative	\$1.45	\$1.41		\$1.72	\$1.90	\$1.97	\$2.12	\$1.43
<i>Ethanol Content (%)</i>	75%	75%	75%	70%	70%	70%	70%	70%
The Andersons-Denison	\$1.44	\$1.42		\$1.64	\$1.83	\$1.84	\$1.95	\$1.54
<i>Ethanol Content (%)</i>	76%	76%	76%	76%	76%	76%	72%	72%
Valer Corp.	\$1.92	\$2.00		\$2.01	\$2.01	\$2.13	\$2.15	\$1.88
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	\$1.80	\$1.88		\$1.95	\$2.06	\$2.13	\$2.21	\$1.68
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	\$1.81	\$1.84		\$1.82	\$2.11	\$1.97	\$2.28	\$1.82
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%	75%
OPIS National Avg. RIN Price	\$0.47	\$0.46	\$0.46	\$0.47	\$0.55	\$0.57	\$0.57	\$0.61

OPIS Des Moines Terminal Avg. Regular Gas (E0)	\$2.70	\$2.83		\$2.33	\$2.18	\$2.17	\$2.07	\$1.75
<i>(for comparison)</i>								
*All prices are rounded to the nearest penny								
Ave Comp. E85 Price (DM Terminal)	\$2.02	\$2.11		\$2.19	\$2.35	\$2.50	\$2.54	\$2.12
Ave Ethanol Plant Price	\$1.44	\$1.42		\$1.69	\$1.85	\$1.89	\$2.00	\$1.50
Discount for Preblended/Plant E85	\$0.58	\$0.69		\$0.50	\$0.50	\$0.61	\$0.54	\$0.62
Prorated OPIS National Avg. RIN Price	\$0.35	0.345		0.329	0.385	0.399	0.399	0.427
(% of RIN to match % of Eth)	0.75	0.75		0.7	0.7	0.7	0.7	0.7
Plant Price Discount less Prorated RIN value	\$0.23	\$0.35		\$0.18	\$0.12	\$0.21	\$0.14	\$0.19
	10/20/2014	10/27/2014		11/10/2014	11/17/2014	11/24/2014	12/1/2014	12/15/2014

	1/5/2015	1/12/2015	2/2/2015	2/9/2015	2/16/2015	2/23/2015	3/2/2015	3/9/2015
Absolute Energy	0.84	0.85	0.85	0.8	0.8	0.84	0.84	0.9
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
Cenex	1.3	1.18	1.16	1.2	1.19	1.2	1.26	1.28
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
Flint Hills Resources	1.9	1.9	1	1.1	1.15	1.15	1.15	1.15
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
Hartland Fuel Products	1.19	1	0.98	1.03	1.07	1.08	1	1.15
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%	75%
Hartland Fuel Products	1.2	1.02	1.02	1.08	1.11	1.13	1.07	1.2
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
HollyFrontier	1.41	1.34	1.2	1.24	1.29	1.28	1.34	1.34
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
Little Sioux Corn Processors	0.84	0.8	0.88	0.88	0.88	0.88	0.9	0.9
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
Noble Mansfield	1.19	1.05						
<i>Ethanol Content (%)</i>	70%	70%						
Quad County Corn Processors	1.04	0.94	0.88	0.96	0.99	0.95	1	1.05
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
RPMG	1.15	1	1	1.05	1.05	1.1	0.92	1.1
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
Siouxland Energy Cooperative	0.95	0.86	0.79	0.86	0.9	0.91	0.82	0.91
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
The Andersons-Denison	0.96	0.73	0.72	0.75	0.79	0.8	0.82	0.83
<i>Ethanol Content (%)</i>	76%	75%	75%	75%	75%	75%	75%	75%
Valero Corp.	1.33	1.18	1.22	1.25	1.22	1.24	1.21	1.25
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	1.28	1.16	1.12	1.17	1.17	1.19	1.19	1.23
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	1.19	1	0.98	1.03	1.07	1.08	1	1.15
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%	75%
OPIS National Avg. RIN Price	\$0.81	\$0.73	\$0.71	\$0.73		\$0.72	\$0.71	\$0.69

OPIS Des Moines Terminal Avg. Regular Gas (E0)	\$1.43	\$1.34	\$1.60	\$1.70	\$1.77	\$1.85	\$2.05	\$1.98
<i>(for comparison)</i>								
*All prices are rounded to the nearest penny								
Ave Comp. E85 Price (DM Terminal)	\$1.72	\$1.59	\$1.59	\$1.62		\$1.65	\$1.67	\$1.68
Ave Ethanol Plant Price	\$0.93	\$0.84	\$0.82	\$0.85		\$0.88	\$0.88	\$0.92
Discount for Preblended/Plant E85	\$0.80	\$0.75	\$0.77	\$0.77		\$0.77	\$0.79	\$0.76
Prorated OPIS National Avg. RIN Price	\$0.57	\$0.51	\$0.50	\$0.51		\$0.50	\$0.50	\$0.48
(% of RIN to match % of Eth)	70%	70%	70%	70%		70%	70%	70%
Plant Price Discount less Prorated RIN value	\$0.23	\$0.24	\$0.27	\$0.26	\$0.00	\$0.27	\$0.30	\$0.28
	1/5/2015	1/12/2015	2/2/2015	2/9/2015		2/23/2015	3/2/2015	3/9/2015

	3/16/2015	3/31/2015	4/6/2015	4/13/2015	4/20/2015	4/27/2015	5/4/2015	5/11/2015	5/18/2015
Absolute Energy	0.92	0.9	0.94	0.95	0.95	1	0.92	0.95	0.97
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	83%	83%	83%
Cenex	1.27	1.24	1.3	1.34	1.35	1.39	1.42	1.46	1.49
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
Flint Hills Resources	1.2	1.2	1.18	1.18	1.18	1.3	1.3	1.4	1.45
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
Hartland Fuel Products	1.14	1.13	1.22						
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%	75%	75%
Hartland Fuel Products	1.18	1.17	1.26						
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
HollyFrontier	1.29	1.34	1.35	1.36	1.39	1.45	1.49	1.53	1.56
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
Little Sioux Corn Processors	0.9	1	1.02	1	1	1	0.97	0.97	0.97
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	83%	83%	83%
Noble Mansfield									
<i>Ethanol Content (%)</i>									
Quad County Corn Processors	0.98	1.08	1.11	1.12	1.14	1.15	1.14	1.17	1.2
<i>Ethanol Content (%)</i>	70%	70%	70%	75%	75%	75%	75%	75%	80%
RPMG	1.15	1.1	1.15	1.18	1.18	1.2	1.2	1.25	1.27
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
Siouxland Energy Cooperative	0.98	1.01	1.01	1	1.04	1.04	1	1.05	1.07
<i>Ethanol Content (%)</i>	70%	70%	75%	75%	75%	75%	80%	80%	80%
The Andersons-Denison	0.85	0.91	0.99	0.99	1.01	1.02	0.94	1.03	1.04
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	85%	85%	85%
Valero Corp.	1.21	1.21	1.28	1.29	1.31	1.32	1.34	1.41	1.43
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	1.21	1.21	1.27	1.27	1.29	1.33	1.35	1.41	1.44
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	1.14	1.13	1.22						
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%	75%	75%	75%
OPIS National Avg. RIN Price	\$0.66	\$0.69	\$0.68	\$0.70	\$0.71	\$0.72	\$0.75	\$0.73	\$0.73

OPIS Des Moines Terminal Avg. Regular Gas (E0)	\$1.83	\$1.85	\$1.83	\$1.83	\$1.93	\$1.98	\$2.06	\$2.02	\$2.12
<i>(for comparison)</i>									
*All prices are rounded to the nearest penny									
Ave Comp. E85 Price (DM Terminal)	\$1.66	\$1.67	\$1.73	\$1.67	\$1.68	\$1.74	\$1.74	\$1.79	\$1.80
Ave Ethanol Plant Price	\$0.93	\$0.98	\$1.01	\$1.01	\$1.03	\$1.04	\$0.99	\$1.03	\$1.05
Discount for Preblended/Plant E85	\$0.73	\$0.69	\$0.72	\$0.66	\$0.65	\$0.70	\$0.75	\$0.76	\$0.75
Prorated OPIS National Avg. RIN Price	\$0.46	\$0.48	\$0.48	\$0.53	\$0.53	\$0.54	\$0.60	\$0.58	\$0.58
(% of RIN to match % of Eth)	70%	70%	70%	75%	75%	75%	80%	80%	80%
Plant Price Discount less Prorated RIN value	\$0.27	\$0.21	\$0.24	\$0.13	\$0.12	\$0.16	\$0.15	\$0.17	\$0.17
	3/16/2015	3/31/2015	4/6/2015	4/13/2015	4/20/2015	4/27/2015	5/4/2015	5/11/2015	5/18/2015

	6/1/2015	6/8/2015	6/22/2015	7/6/2015	7/13/2015	7/20/2015
Absolute Energy	0.99	1.11		1.14	1.12	1.05
<i>Ethanol Content (%)</i>	83%	83%	83%	83%	83%	83%
Cenex	1.52	1.6	1.54	1.62	1.64	1.62
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%
Flint Hills Resources	1.45	1.45	1.55	1.5	1.5	1.65
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%
Hartland Fuel Products						
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%
Hartland Fuel Products						
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%
HollyFrontier	1.67	1.81	1.78	1.8	1.78	1.75
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%
Little Sioux Corn Processors	1.05	1.15	1	1.15	1.15	1.09
<i>Ethanol Content (%)</i>	83%	83%	83%	83%	83%	83%
Noble Mansfield						
<i>Ethanol Content (%)</i>						
Quad County Corn Processors	1.19	1.19	1.17	1.3	1.29	1.21
<i>Ethanol Content (%)</i>	80%	83%	83%	83%	83%	83%
RPMG	1.55	1.45	1.39	1.5	1.47	1.45
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%
Siouxland Energy Cooperative	1.1	1.24	1.12	1.26	1.24	1.16
<i>Ethanol Content (%)</i>	80%	80%	80%	80%	80%	80%
The Andersons-Denison	1.02	1.22	1.13	1.24	1.2	1.11
<i>Ethanol Content (%)</i>	85%	85%	85%	85%	85%	85%
Valero Corp.	1.39	1.39	1.36	1.49	1.49	1.49
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.	1.51	1.53	1.5	1.58	1.58	1.59
<i>Ethanol Content (%)</i>	70%	70%	70%	70%	70%	70%
OPIS Des Moines Terminal Rack Avg.						
<i>Ethanol Content (%)</i>	75%	75%	75%	75%	75%	75%
OPIS National Avg. RIN Price	\$0.46	\$0.38	\$0.45	\$0.45	\$0.46	\$0.44

OPIS Des Moines Terminal Avg. Regular Gas (E0)	\$2.29	\$2.24	\$2.23	\$2.28	\$2.29	\$2.48
<i>(for comparison)</i>						
*All prices are rounded to the nearest penny						
Ave Comp. E85 Price (DM Terminal)	\$1.80	\$1.72	\$1.67	\$1.80	\$1.83	\$1.75
Ave Ethanol Plant Price	\$1.07	\$1.18	\$1.11	\$1.22	\$1.20	\$1.12
Discount for Preblended/Plant E85	\$0.73	\$0.54	\$0.57	\$0.58	\$0.63	\$0.63
Prorated OPIS National Avg. RIN Price	\$0.37	\$0.32	\$0.37	\$0.37	\$0.38	\$0.37
(% of RIN to match % of Eth)	80%	83%	83%	83%	83%	83%
Plant Price Discount less Prorated RIN value	\$0.36	\$0.22	\$0.19	\$0.21	\$0.25	\$0.26
	6/1/2015	6/8/2015	6/22/2015	7/6/2015	7/13/2015	7/20/2015

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OPIS Rack Prices- 2014									
	1/2/2014	1/6/2014	1/9/2014	1/13/2014	1/16/2014	1/20/2014	1/23/2014	1/27/2014	1/30/2014
V-grade (84-octane)	2.643	2.579	2.616	2.641	2.630	2.649	2.686	2.667	2.683
E0 (87-octane)	2.733	2.660	2.712	2.733	2.720	2.756	2.799	2.789	2.803
E0 Premium (91-octane)	2.878	2.809	2.864	2.889	2.872	2.904	2.958	2.954	2.965
E10 (87-octane)	2.570	2.504	2.543	2.566	2.547	2.559	2.589	2.573	2.576
E100	2.273	2.229	2.244	2.197	2.134	2.084	2.005	1.919	1.943
Comp. E0 (87-octane)	2.744	2.678	2.723	2.748	2.734	2.759	2.803	2.790	2.804
Discount for preblended E0	0.011	0.018	0.011	0.015	0.014	0.003	0.004	0.001	0.001
Comp. E10 (87-octane)	2.606	2.544	2.579	2.597	2.580	2.593	2.618	2.592	2.609
Discount for pre-blended E10	0.036	0.040	0.036	0.031	0.033	0.034	0.029	0.019	0.033
2014 OPIS RIN (10%)	0.032	0.033	0.030	0.031	0.031	0.031	0.033	0.034	0.037
Comp. E85	\$2.38	\$2.33	\$2.36	\$2.33	\$2.28	\$2.25	\$2.21	\$2.14	\$2.17
	70% Eth	--->>							

OPIS Rack Prices- 2014									
	3/6/2014	3/10/2014	3/13/2014	3/17/2014	3/20/2014	3/24/2014	3/27/2014	3/31/2014	4/3/2014
V-grade (84-octane)	2.973	3.002	2.997	2.977	2.911	2.933	2.918	2.924	2.882
E0 (87-octane)	3.093	3.141	3.129	3.118	3.053	3.085	3.070	3.086	3.053
E0 Premium (91-octane)	3.260	3.309	3.304	3.297	3.238	3.270	3.266	3.283	3.254
E10 (87-octane)	2.861	2.908	2.893	2.892	2.848	2.893	2.878	2.909	2.876
E100	2.349	2.479	2.501	2.581	2.763	3.040	3.180	3.395	3.509
Comp. E0 (87-octane)	3.096	3.134	3.129	3.115	3.052	3.078	3.068	3.078	3.042
Discount for preblended E0	0.003	-0.007	0.000	-0.003	-0.001	-0.007	-0.002	-0.008	-0.011
Comp. E10 (87-octane)	2.911	2.950	2.947	2.937	2.896	2.944	2.944	2.971	2.945
Discount for pre-blended E10	0.050	0.042	0.054	0.045	0.048	0.051	0.066	0.062	0.069
2014 OPIS RIN (10%)	0.055	0.052	0.049	0.046	0.050	0.052	0.051	0.051	0.048
Comp. E85	\$2.54	\$2.64	\$2.65	\$2.70	\$2.81	\$3.01	\$3.10	\$3.25	\$3.32
								<<----	70% Eth

OPIS Rack Prices- 2014									
	4/7/2014	4/10/2014	4/14/2014	4/17/2014	4/21/2014	4/24/2014	4/28/2014	5/1/2014	5/5/2014
V-grade (84-octane)	2.938	2.986	2.978	2.950	2.974	2.993	2.955	2.893	2.869
E0 (87-octane)	3.116	3.158	3.149	3.123	3.145	3.161	3.131	3.070	3.054
E0 Premium (91-octane)	3.318	3.355	3.348	3.322	3.366	3.358	3.329	3.266	3.250
E10 (87-octane)	2.915	2.948	2.938	2.895	2.918	2.918	2.886	2.823	2.798
E100	3.238	3.074	3.096	2.887	2.833	2.743	2.602	2.548	2.459
Comp. E0 (87-octane)	3.101	3.145	3.137	3.110	3.143	3.150	3.116	3.053	3.033
Discount for preblended E0	-0.015	-0.013	-0.012	-0.013	-0.002	-0.011	-0.015	-0.017	-0.021
Comp. E10 (87-octane)	2.968	2.995	2.990	2.944	2.960	2.968	2.920	2.859	2.828
Discount for pre-blended E10	0.053	0.047	0.052	0.049	0.042	0.050	0.034	0.035	0.030
2014 OPIS RIN (10%)	0.048	0.047	0.042	0.042	0.042	0.042	0.039	0.040	0.041
Comp. E85	\$3.16	\$3.05	\$3.07	\$2.90	\$2.87	\$2.81	\$2.69	\$2.62	\$2.54
	75% Eth	---->>				<<----	75% Eth	80% Eth	---->>

OPIS Rack Prices- 2014									
	5/8/2014	5/12/2014	5/15/2014	5/19/2014	5/22/2014	5/26/2014	5/29/2014	6/2/2014	6/5/2014
V-grade (84-octane)	2.860	2.842	2.902	2.919	2.946	2.962	2.959	2.952	2.923
E0 (87-octane)	3.040	3.016	3.071	3.088	3.113	3.125	3.121	3.119	3.090
E0 Premium (91-octane)	3.232	3.206	3.262	3.281	3.303	3.313	3.307	3.306	3.274
E10 (87-octane)	2.777	2.759	2.806	2.825	2.847	2.861	2.857	2.860	2.830
E100	2.376	2.426	2.430	2.462	2.436	2.490	2.504	2.538	2.411
Comp. E0 (87-octane)	3.020	2.999	3.057	3.075	3.100	3.113	3.109	3.104	3.074
Discount for preblended E0	-0.020	-0.017	-0.014	-0.013	-0.013	-0.012	-0.012	-0.015	-0.016
Comp. E10 (87-octane)	2.812	2.800	2.855	2.873	2.895	2.915	2.914	2.911	2.872
Discount for pre-blended E10	0.035	0.041	0.049	0.048	0.048	0.054	0.056	0.051	0.042
2014 OPIS RIN (10%)	0.042	0.045	0.046	0.049	0.046		0.046	0.045	0.044
Comp. E85	\$2.47	\$2.51		\$2.54	\$2.52	\$2.57	\$2.58	\$2.61	\$2.50
	<<----	80% Eth		83% Eth	---->>				

OPIS Rack Prices- 2014									
	9/11/2014	9/15/2014	9/18/2014	9/22/2014	9/25/2014	9/29/2014	10/2/2014	10/6/2014	10/9/2014
V-grade (84-octane)	2.643	2.631	2.647	2.649	2.728	2.686	2.552	2.465	2.408
E0 (87-octane)	2.831	2.815	2.817	2.822	2.895	2.854	2.725	2.626	2.566
E0 Premium (91-octane)	3.033	3.015	3.020	3.018	3.082	3.041	2.915	2.809	2.753
E10 (87-octane)	2.551	2.528	2.533	2.537	2.593	2.554	2.427	2.335	2.285
E100	2.269	2.149	2.047	1.935	1.855	1.799	1.771	1.679	1.743
Comp. E0 (87-octane)	2.811	2.796	2.807	2.808	2.880	2.839	2.708	2.613	2.556
Discount for preblended E0	-0.020	-0.019	-0.010	-0.014	-0.015	-0.015	-0.017	-0.013	-0.010
Comp. E10 (87-octane)	2.606	2.583	2.587	2.578	2.641	2.597	2.474	2.386	2.342
Discount for pre-blended E10	0.055	0.055	0.054	0.041	0.048	0.043	0.047	0.051	0.056
2014 OPIS RIN (10%)	0.047	0.045	0.045	0.045	0.047	0.046	0.046	0.047	0.048
Comp. E85	\$2.33	\$2.23	\$2.15	\$2.06	\$2.00	\$1.95		\$1.84	\$1.88
					<<----	83% Eth		80% Eth	<---->

OPIS Rack Prices- 2014									
	10/13/2014	10/16/2014	10/20/2014	10/23/2014	10/27/2014	10/30/2014	11/3/2014	11/7/2014	11/10/2014
V-grade (84-octane)	2.355	2.324	2.548	2.454	2.667	2.439	2.329	2.174	2.157
E0 (87-octane)	2.517	2.474	2.702	2.610	2.829	2.601	2.509	2.339	2.330
E0 Premium (91-octane)	2.708	2.672	2.886	2.817	3.011	2.804	2.712	2.552	2.544
E10 (87-octane)	2.240	2.207	2.414	2.342	2.533	2.333	2.257	2.096	2.102
E100	1.772	1.780	1.845	1.928	1.927	1.963	1.965	2.063	2.197
Comp. E0 (87-octane)	2.507	2.474	2.693	2.610	2.815	2.596	2.494	2.337	2.323
Discount for preblended E0	-0.010	0.000	-0.009	0.000	-0.014	-0.005	-0.015	-0.002	-0.007
Comp. E10 (87-octane)	2.297	2.270	2.478	2.401	2.593	2.391	2.293	2.163	2.161
Discount for pre-blended E10	0.057	0.063	0.064	0.059	0.060	0.058	0.036	0.067	0.059
2014 OPIS RIN (10%)	0.048	0.048	0.047	0.046	0.046	0.046	0.046	0.046	0.047
Comp. E85	\$1.89		\$2.02	\$2.06	\$2.11			\$2.10	\$2.19
	80% Eth		75% Eth	<---->	75% Eth			70% Eth	---->>

OPIS Rack Prices- 2014						
	12/15/2014	12/18/2014	12/22/2014	12/24/2014	12/29/2014	12/31/2014
V-grade (84-octane)	1.560	1.476	1.459	1.419	1.350	1.262
E0 (87-octane)	1.748	1.656	1.629	1.587	1.512	1.427
E0 Premium (91-octane)	1.989	1.887	1.847	1.788	1.714	1.623
E10 (87-octane)	1.573	1.468	1.434	1.396	1.329	1.235
E100	2.359	2.173	2.098	2.107	2.103	1.934
Comp. E0 (87-octane)	1.744	1.653	1.626	1.578	1.507	1.417
Discount for preblended E0	-0.004	-0.003	-0.003	-0.009	-0.005	-0.010
Comp. E10 (87-octane)	1.640	1.546	1.523	1.488	1.425	1.329
Discount for pre-blended E10	0.067	0.078	0.089	0.092	0.096	0.094
2014 OPIS RIN (10%)	0.061	0.066	0.068	0.072	0.072	0.075
Comp. E85	\$2.12	\$1.96	\$1.91	\$1.90	\$1.88	\$1.73
					<<----	70% Eth

OPIS Rack Prices- 2015										
	3/16/2015	3/19/2015	3/23/2015	3/26/2015	3/30/2015	4/2/2015	4/6/2015	4/9/2015	4/13/2015	4/16/2015
V-grade (84-octane)	1.698	1.796	1.784	1.820	1.740	1.713	1.719	1.674	1.728	1.840
E0 (87-octane)	1.834	1.921	1.912	1.932	1.853	1.831	1.828	1.779	1.828	1.941
E0 Premium (91-octane)	1.981	2.061	2.046	2.058	1.978	1.949	1.941	1.898	1.945	2.059
E10 (87-octane)	1.622	1.712	1.700	1.731	1.663	1.647	1.645	1.604	1.657	1.758
E100	1.643	1.598	1.606	1.654	1.643	1.703	1.736	1.758	1.657	1.642
Comp. E0 (87-octane)	1.820	1.910	1.897	1.922	1.842	1.814	1.814	1.770	1.821	1.934
Discount for preblended E0	-0.014	-0.011	-0.015	-0.010	-0.011	-0.017	-0.014	-0.009	-0.007	-0.007
Comp. E10 (87-octane)	1.693	1.776	1.766	1.803	1.730	1.712	1.721	1.682	1.721	1.820
Discount for pre-blended E10	0.070	0.064	0.066	0.072	0.067	0.065	0.076	0.078	0.064	0.062
2015 OPIS RIN (10%)	0.066	0.065	0.067	0.071	0.069	0.068	0.068	0.069	0.070	0.072
Comp. E85	\$1.66	\$1.66	\$1.66	\$1.70	\$1.67	\$1.71	\$1.73		\$1.67	\$1.69
						<<----	70% Eth		75% Eth	---->>

OPIS Rack Prices- 2015									
	4/20/2015	4/23/2015	4/27/2015	4/30/2015	5/4/2015	5/7/2015	5/11/2015	5/14/2015	5/18/2015
V-grade (84-octane)	1.825	1.851	1.880	1.906	1.952	1.939	1.913	1.988	2.011
E0 (87-octane)	1.926	1.949	1.980	2.009	2.056	2.043	2.019	2.091	2.116
E0 Premium (91-octane)	2.051	2.072	2.107	2.137	2.185	2.173	2.150	2.222	2.253
E10 (87-octane)	1.744	1.767	1.796	1.823	1.867	1.863	1.838	1.903	1.930
E100	1.635	1.697	1.690	1.702	1.687	1.720	1.765	1.740	1.747
Comp. E0 (87-octane)	1.922	1.946	1.978	2.005	2.052	2.040	2.015	2.089	2.115
Discount for preblended E0	-0.004	-0.003	-0.002	-0.004	-0.004	-0.003	-0.004	-0.002	-0.001
Comp. E10 (87-octane)	1.806	1.836	1.861	1.886	1.926	1.917	1.898	1.963	1.985
Discount for pre-blended E10	0.062	0.069	0.065	0.063	0.059	0.054	0.060	0.060	0.055
2015 OPIS RIN (10%)	0.071	0.071	0.072	0.073	0.075	0.073	0.073	0.073	0.073
Comp. E85	\$1.68	\$1.74	\$1.74		\$1.74	\$1.76	\$1.79	\$1.79	\$1.80
		<<----	75% Eth		80% Eth	---->>			

OPIS Rack Prices- 2015									
	5/21/2015	5/25/2015	5/28/2015	6/1/2015	6/4/2015	6/8/2015	6/11/2015	6/15/2015	6/18/2015
V-grade (84-octane)	2.010	2.009	1.935	2.071	2.010	2.017	2.126	2.101	2.037
E0 (87-octane)	2.116	2.118	2.103	2.290	2.238	2.241	2.356	2.328	2.277
E0 Premium (91-octane)	2.250	2.259	2.275	2.487	2.482	2.484	2.629	2.617	2.561
E10 (87-octane)	1.926	1.925	1.859	1.985	1.943	1.946	2.041	2.016	1.952
E100	1.802	1.740	1.747	1.737	1.657	1.660	1.637	1.580	1.577
Comp. E0 (87-octane)	2.113	2.117	2.081	2.250	2.213	2.218	2.342	2.323	2.262
Discount for preblended E0	-0.003	-0.002	-0.022	-0.040	-0.025	-0.023	-0.014	-0.005	-0.015
Comp. E10 (87-octane)	1.989	1.982	1.916	2.038	1.975	1.981	2.077	2.049	1.991
Discount for pre-blended E10	0.063	0.057	0.057	0.053	0.032	0.035	0.036	0.033	0.039
2015 OPIS RIN (10%)	0.068	0.069	0.059	0.046	0.040	0.038	0.044	0.045	0.047
Comp. E85	\$1.84	\$1.79	\$1.78	\$1.80		\$1.72	\$1.72	\$1.67	\$1.66
			<<----	80% Eth		83% Eth	---->>		

OPIS Rack Prices- 2015	
	7/23/2015
V-grade (84-octane)	1.926
E0 (87-octane)	2.267
E0 Premium (91-octane)	2.621
E10 (87-octane)	1.868
E100	1.655
Comp. E0 (87-octane)	2.420
Discount for preblended E0	0.152
Comp. E10 (87-octane)	2.206
Discount for pre-blended E10	0.338
2015 OPIS RIN (10%)	0.042
Comp. E85	\$1.76
	83% Eth