

## **Dumb energy policies just keep coming**

E15 ethanol mandates would bring huge benefits – for the few, at the expense of the many

Paul Driessen

If 10% ethanol in gasoline is good, 15% (E15) will be even better. At least for some folks.

We're certainly heading in that direction – thanks to animosity toward oil, natural gas and coal, fear-mongering about global warming, and superlative lobbying for “alternative,” “affordable,” “eco-friendly” biofuels. Whether the trend continues, and what unintended consequences will be unleashed, will depend on Corn Belt versus consumer politics and whether more people recognize the downsides of ethanol.

Federal laws currently require that fuel suppliers blend more and more ethanol into gasoline, until the annual total rises from 9 billion gallons of EtOH in 2008 to 36 billion in 2022. The national Renewable Fuel Standard (RFS) also mandates that corn-based ethanol tops out at 15 billion gallons a year, and the rest comes from “advanced biofuels” – fuels produced from switchgrass, forest products and other non-corn feedstocks, and having 50% lower lifecycle greenhouse gas emissions than petroleum.

These “advanced biofuels” thus far exist only on paper or in laboratories and demonstration projects. But Congress apparently believes passing a law will turn wishes into horses and mandates into reality.

Create the demand, say ethanol activists, and the supply will follow. In plain-spoken English: Impose the mandates and provide sufficient subsidies, and ethanol producers will gladly “earn” billions growing crops, building facilities and distilling fuel.

Thus, ADM, Cargill, POET bio-energy and the Growth Energy coalition will benefit from RFS and other mandates, loan guarantees, tax credits and direct subsidies. Automobile and other manufacturers will sell new lines of vehicles and equipment to replace soon-to-be-obsolete models that cannot handle E15 blends. Lawmakers who nourish the arrangement will continue receiving hefty campaign contributions from Big Farma.

However, voter anger over subsidies and deficits bode ill for the status quo. So POET doubled its Capital Hill lobbying budget in 2010, and the ethanol industry has launched a full-court press to have the Senate, Congress and Environmental Protection Agency raise the ethanol-in-gasoline limit to 15% ASAP. As their anxiety levels have risen, some lobbyists are suggesting a compromise at 12% (E12).

Not surprisingly, ethanol activism is resisted by people on the other side of the ledger – those who will pay the tab, and those who worry about the environmental impacts of ethanol production and use.

\* Taxpayer and free market advocates point to the billions being transferred from one class of citizens to another, while legislators and regulators lock up billions of barrels of oil, trillions of cubic feet of natural gas, and vast additional energy resources in onshore and offshore America. They note that ethanol costs 3.5 times as much as gasoline to produce, but contains only 65% as much energy per gallon as gasoline.

\* Motorists, boaters, snowmobilers and outdoor power equipment users worry about safety and cost. The more ethanol there is in gasoline, the more often consumers have to fill up their tanks, the less value they get, and the more they must deal with repairs, replacements, lost earnings and productivity, and malfunctions that are inconvenient or even dangerous.

Ethanol burns hotter than gasoline. It collects water and corrodes plastic, rubber and soft metal parts. Older engines and systems may not be able to handle E15 or even E12, which could also increase emissions and adversely affect engine, fuel pump and sensor durability.

Home owners, landscapers and yard care workers who use 200 million lawn mowers, chainsaws, trimmers, blowers and other outdoor power gear want proof that parts won't deteriorate and equipment won't stall out, start inadvertently or catch fire. Drivers want proof that their car or motorcycle won't conk out on congested highways or in the middle of nowhere, boat engines won't die miles from land or in the face of a storm, and snowmobiles won't sputter to a stop in some frigid wilderness.

All these people have a simple request: test E12 and E15 blends first. Wait until the Department of Energy and private sector assess these risks sufficiently, and issue a clean bill of health, before imposing new fuel standards. Safety first. Working stiff livelihoods second. Bigger profits for Big Farma and Mega Ethanol can wait. Some unexpected parties recently offered their support for more testing.

Representatives Henry Waxman (D-CA), Ed Markey (D-MA), Joe Barton (R-TX) and Fred Upton (R-MI) wrote to EPA Administrator Lisa Jackson, advising her that “Allowing the sale of renewable fuel ... that damages equipment, shortens its life or requires costly repairs will likely cause a backlash against renewable fuels. It could also seriously undermine the agency’s credibility in addressing engine fuel and engine issues in the future.”

\* Corn growers will benefit from a higher ethanol RFS. However, government mandates mean higher prices for corn – and other grains, as corn and switchgrass incentives reduce farmland planted in wheat or rye. Thus, beef, pork, poultry and egg producers must pay more for corn-based feed; grocery manufacturers face higher prices for grains, eggs, meat and corn syrup; and folks who simply like affordable food cringe as their grocery bills go higher.

\* Whether the issue is food, vehicles or equipment, blue collar, minority, elderly and middle class families would be disproportionately affected, Affordable Power Alliance co-chairman Harry Jackson, Jr. points out. They have to pay a larger portion of their smaller incomes for food, and own older cars and power equipment that would be particularly vulnerable to E15 fuels.

\* Ethanol mandates also drive up the cost of food aid – so fewer malnourished, destitute people can be fed via USAID and World Food Organization programs.

Biotechnology will certainly help, by enabling farmers to produce more biofuel crops per acre, using fewer pesticides and utilizing no-till methods that reduce soil erosion, even under drought conditions. If only Greenpeace and other radical groups would cease battling this technology. However, there are legitimate environmental concerns.

\* Oil, gas, coal and uranium extraction produces large quantities of high-density fuel for vehicles, equipment and power plants (to recharge batteries) from relatively small tracts of land. We could produce 670 billion gallons of oil from Arctic land equal to 1/20 of Washington, DC, if ANWR weren’t off limits.

By contrast, 15 billion gallons of corn-based ethanol requires cropland and wildlife habitat the size of Georgia, and for 21 billion gallons of advanced biofuel we’d need South Carolina planted in switchgrass.

\* Ethanol has only two-thirds the energy value of gasoline – and it takes 70% more energy to grow and harvest corn and turn it into EtOH than what it yields as a fuel. There is a “net energy loss,” says Cornell University agriculture professor David Pimental.

\* Pimental and other analysts also calculate that growing and processing corn into ethanol requires over 8,000 gallons of water per gallon of alcohol fuel. Much of the water comes from already stressed aquifers – and growing the crops results in significant pesticide, herbicide and fertilizer runoff.

\* Ethanol blends do little to reduce smog, and in fact result in more pollutants evaporating from gas tanks, says the National Academy of Sciences. As to preventing climate change, thousands of scientists doubt the human role, climate “crisis” claims and efficacy of biofuels in addressing the speculative problem.

Meanwhile, Congress remains intent on mandating low-water toilets and washing machines, and steadily expanding ethanol diktats. And EPA wants to crack down on dust from livestock, combine operations and tractors in farm fields.

“With Congress,” Will Rogers observed, “every time they make a joke it’s a law, and every time they make a law it’s a joke.” If it had been around in 1934, he would have added EPA. Let’s hope for some change.

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