From top officials at the Department of Agriculture and Environmental Protection Agency to the pages of Forbes and official hearings in the Heartland, Americans are weighing in to dispel the myth of corn ethanol demand destruction and on the EPA's proposal to increase the Renewable Fuel Standard (RFS), which is currently under consideration.

Official data from the U.S. Energy Information Administration shows small refinery hardship waivers have not caused any demand destruction for ethanol in the United States. The EPA imposing higher RFS blending mandates in an attempt to recover "lost ethanol gallons" due to small refinery exemptions is misguided — there are simply no lost gallons to recover — and would come at the expense of refining and manufacturing jobs.

See what experts, government officials and concerned stakeholders are saying:

- "Most of the macroeconomic issues we've had with ethanol this year have been because of lower exports, not small refinery waivers." - <u>U.S. Agriculture Secretary Sonny Perdue</u>
- "We do not see any demand destruction from the small refinery program on ethanol production."
  EPA Administrator Andrew Wheeler, <u>Sept. 19 House Science and Technology Committee</u> <u>hearing</u>
- "There is no disputing the fact that refiners are using more ethanol than they were a year ago, while exports have declined. Thus, the culprit for falling ethanol demand is clear. It is another casualty of the trade war." – <u>Robert Rapier</u>, <u>Forbes senior contributor</u>
- "Small refinery waivers have not had any demonstrable impact on domestic biofuels demand, which is at or near record highs. In fact, until recently, the Administration's RFS policy reduced compliance costs while enabling record biofuel use." – <u>Chet Thompson, AFPM president and</u> <u>CEO</u>
- "EIA data from the last year and a half continues to prove small refiner exemptions and significantly lower RIN prices have had NO impact on ethanol demand. To the contrary, the blend rate and sales of mid-level ethanol blends have gone UP in this environment... A return to skyrocketing [compliance costs] will threaten refining jobs. It will also result in a de facto foreign biofuel mandate, which does nothing to help American farmers or advance American energy security." – Scott Hayes, Toledo Refining Company, Toledo, Ohio
- "Increasing [RFS compliance costs] will have a negative impact on the Toledo Refining Company and could lead to less opportunities for our members to remain gainfully employed. Considering this reality, I'm asking you to rescind this proposed increase to the RVO and make sure to set the volume obligations for biofuels at a level that can realistically be blended and/or produced." – Dominic Chamberlain, International Brotherhood of Electrical Workers, Local 8, Toledo, Ohio
- "These are good jobs being threatened. Our members are well-trained and highly skilled, and we receive fair pay and outstanding benefits for ourselves and our families. In fact, these are some of the best jobs in Northwester Ohio, and the loss of the local economic activity they generate would be devastating for our communities. The original [RVO] proposal was already too

aggressive. This supplemental adds insult to injury by essentially just making the proposed mandate even bigger." – Tim Timmons, International Brotherhood of Boilermakers, Local Lodge 85, Toledo, Ohio

- "If [RFS] volumes are not set at an appropriate level or if the process is not eventually improved, then the effect will be that refining companies may no longer be able compete in the RIN market and, in the worst case scenario, could potentially have to face tough questions about future investments and continued operations. Such a scenario would have a detrimental impact on the Toledo Region and threaten thousands of direct and indirect jobs, as well as our tax base and the potential loss of a valued civic partner." Doug Johnson, on behalf of Toledo, Ohio, Mayor Wade Kapszukiewicz
- "Thousands of highly-skilled, high-paying manufacturing jobs are hard to come by in the Midwest... Setting a requirement as aggressive as the 2020 RVO proposal — let alone the new supplemental rule — will only lead to skyrocketing compliance costs, threats to refining jobs and higher consumer energy prices." – Sommer Vriezelaar, Oregon Economic Development Foundation, Oregon, Ohio
- "Small refinery exemptions are a symptom of the larger problem, that RFS mandates are unrealistic and do not comport with the realities of the fuel market... The proposal before us merely limits refiners' ability to seek a necessary relief mechanism from overly burdensome regulations while incentivizing foreign biodiesel imports and potentially increasing costs for American manufacturers and drivers. This runs directly contrary to the administration's job and domestic energy dominance agendas." – Tim Hogan, AFPM director of motor fuels

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