

**Questions, Responses and Discussion:
What Will it Take to Implement the Federal FDS?
(Panelists)**

Question to Dinneen: Why are you skeptical that a blend of E85 and E10 cannot meet the RFS?

Response from Dinneen: I am not skeptical. Automakers are doing a lot to meet the standard but the entire fleet is huge. In addition, we need to develop the necessary infrastructure. It will be a challenge to put enough FFVs on the road to attract infrastructure development and it is hard to give incentives for this development.

Response from Durante: To be attractive to consumers E85 must be priced correctly. Ethanol has lower BTU content than gasoline and consumers will not want to pay more for it. Furthermore, all stakeholders need assurance that the RFS policy will be in place long term, and will not be changed in the near future.

Response from Shapiro: The oil industry does not want to sell E85 because it is not their product. They want to sell gasoline, not ethanol. To successfully meet the RFS, we need to make a conscious decision to move ahead and have the resolve to do so.

Question: When should we see results of the flexible blend research?

Response from Dinneen: Minnesota has completed research on the use of 20% ethanol. DOE has conducted emissions studies and the results will be available this summer.

Response from Shapiro: A great deal of work is required to make a vehicle for a particular fuel. Research is needed regarding the durability of cars using different fuels. Auto manufacturers are required to certify that the vehicles they produce will run for a long time, so they are understandably cautious about the use of new blends when the effects have not been thoroughly documented.

Question for Kris Kiser: How much gasoline is consumed by the outdoor power equipment sector? If outdoor power equipment manufacturers must follow the same changes required for automobiles, what will be the impact on the price of equipment?

Response from Kiser: The sector has not have answers to either question. However, DOE is studying snowmobiles now. The major concern of the Outdoor Power Equipment Institute and AllSAFE is operator safety. When using power mowers and similar equipment, the operator is close to the fuel source. Using fuel not specified for the equipment could be very risky. The Institute and AllSAFE are not opposed to technological changes, but they are concerned about product malfunction. They want to know what impact the fuel will have on the equipment and they want consumers to be informed.

Question for Kris Kiser: Will there be opportunities for outdoor equipment manufacturers to reduce emissions with higher ethanol fuel?

Response from Kiser: The manufacturers may need a range for emissions rather than a specific target.

Response from Shapiro: Emissions from some equipment may increase, and emissions from other types may decrease.

Question: Is it realistic to expect that E10 can be used throughout the entire country?

Response from Weaver: That is the situation now. Liquid terminals will need two tanks and will blend the ethanol with other fuels at the terminal.

Response from Dinneen: The infrastructure challenge has been overstated. Terminals will respond to the market, and gasoline marketers want more ethanol. Demand is greater than supply.

Question: If RFS is a mandate, why do we need incentives to meet it?

Response from Durante: Making the changes to meet the mandate is not easy and it is expensive. The RFS program is a carbon program, an energy program and an agricultural program. Tax polices and tax credits would help in meeting the standard. Flexible targets would also be helpful. We need flexibility to account for unexpected, uncontrollable conditions such as a drought.

Question: If we increase the percentage of ethanol in fuel, will the amount of evaporated emissions increase?

Response by Shapiro: No. However, the ethanol and gas mixture is complex. We need to be sure the base fuel is of a good quality and can accept the ethanol. The permeation of ethanol into all parts of the vehicle is significant, so it is important that the fuel and the vehicle be compatible. A major problem with E85 is low volatility—it is difficult to start an engine with E85.

Questions: Doesn't Saab make a car that uses E85?

Response from Dinneen: The Saab vehicle has a high compression ratio to take advantage of the ethanol. The car is a turbocharged FFV. It is sold in Europe but not in the U.S.

Question: There has been a lot of negative press about ethanol. Where can the States obtain good, objective information about ethanol?

Response from Durante: There is a lot of bad information and misinformation, but sound, objective information is available. The web site of his organization, the Clean Fuels Development Coalition, is a source of factual information. (Log onto the site at www.cleanfuelsdc.org for information and the blog.)

Response from Weaver: It is important for everyone to deal with the facts. There are some legitimate concerns with ethanol. When States look at information and web sites they must consider the policy positions of the site sponsors, and must evaluate the positions for integrity. This theme was echoed by **Kiser**, who cautioned that data can be slanted to support particular points of view. He urged all stakeholders to present their policy positions in a responsible way. **Dinneen** concurred, using the example of the current criticism of the use of corn to produce ethanol. He noted the importance of questioning why particular groups might be opposed.

Response from Shapiro: EPA and the State of California provide good analyses of the impact of using ethanol. Career government officials are professional and are doing a great job, but one should be cautious about the pronouncements of the politicians.

Question: All of you panelists represent differing points of view and different stakeholders. Do you work together at some level? Who should convene the differing, often opposing, stakeholders to find ways of meeting the federal targets?

Response from Durante: EPA is including all stakeholders in the regulation-writing process. All stakeholders are working toward a smooth transition to the higher standard. If the process begins to “tilt and take on water” Congress must step in. **All the panelists** echoed his comments about working together, noting that they and other major players have known one another for some time and talk frequently.

Conclusion of the Forum