

# The Truth about Ethanol and the Renewable Fuel Standard

When it comes to politicking for seats in Congress, the environment and our wallets are being held for ransom. Since announcing his Climate Action Plan in June 2013, President Obama has all but stopped talking about biofuels, passively endorsing the cash-fueled corn lobby and their efforts to prop up the Renewable Fuel Standard (RFS). The President has been vocal about creating a sustainable path forward, but his commitment comes with a caveat: politics trumps climate protection.

Rumors have surfaced that the administration may use the EPA's regulatory process to boost the electoral chances of one person running in a hotly contested Iowa Congressional race: Bruce Braley. For this one race, the White House may increase the final 2014 RFS targets and delay release of the rule until mid-to-late summer when it's closer to midterm elections.

The White House has resisted addressing ethanol issues by arguing the (false) benefits of E85 and claiming the anti-ethanol campaign is promulgated by big oil. The facts speak for themselves: the RFS has led to widespread environmental impacts and escalating commodity and fuel prices.

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## E85: Pay More, Get Less

Each year, Americans spend over 5% of their income on gasoline ([nearly as much as on utility bills](#)). Filling up on E85 means spending even more:

- [Ethanol contains 33% less energy](#) than regular gasoline, meaning you need to fill up more often.
- Only a mere [5%](#) of the U.S. light-duty vehicle fleet is able to run on E85, and the EPA estimates that [the current E85 refueling rate is only 4%](#) for flex fuel vehicles with reasonable access to the fuel.
- According to [AAA](#), [the MPG-corrected price of E85 ethanol at the gas pump is 40 cents a gallon higher than premium gasoline](#).

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## Demand for Ethanol Remains Muted

Demand for higher ethanol blends remains low due to concerns over engine damage and lower fuel efficiency.

- The [EPA has deemed E15 incompatible for use in cars manufactured before 2001, heavy duty vehicles, boats, motorcycles and small engine equipment](#).
- Automakers warn that their [warranties will not cover fuel-related claims caused by the use of E15](#), even in some newer vehicles.
- [Less than 4 out of every 100 cars](#) on the road in America are certified to use fuel with higher blends of ethanol like E15 and E85.
- Of the more than 126K convenience stores selling fuels, [less than 0.4% are owned by a major oil company](#). The majority of gas station owners are beholden to market demand and must supply fuel that consumers actually use; they cannot afford the [\\$80,000+ needed to replace gas pumps to handle ethanol](#).
- Even after years of government support, biofuels still provide [less than one-half of 1% of the world's energy needs](#). The market has spoken.