

FUEL CHOICE FACTS



Biofuel Mandates **Just Don't Add Up**

What's Motivating an Ethanol Mandate?

- Iowa ethanol plants are celebrating a record year in 2009, with 3.1 billion gallons of ethanol production, 39 operating ethanol plants and renewable fuels accounting for eight percent of the state's Gross Domestic Product. In 2010, ethanol will account for one-third of Iowa's corn production, which is expected to exceed last year's record breaking levels.
- Supporters say a mandate will generate an additional 25 million gallons of annual ethanol sales. That's less than one percent of last year's production totals and approximately one-fourth the annual output for any single ethanol plant.
- The figures just don't add up to good legislation. The projected impact is very limited, and the pitfalls are significant – eliminating fair competition among fuel suppliers will drive up the price Iowans pay at the pump.

Biodiesel Mandate will Deliver Statewide Boycott

- Motivation behind the biodiesel mandate is clearer. The failure of Congress to extend the federal blenders tax credit makes it very difficult to offer competitive pricing for biodiesel products. The answer, however, is not a B5 mandate in Iowa.
- A mandate places Iowa retailers at a competitive disadvantage and will send Iowa diesel sales plummeting. Interstate motor carriers — which account for more than one-third of the state's total on-road diesel usage — have warned of a boycott if a biodiesel mandate is adopted. This is not an idle threat; with fuel capacity of more than 1,000 miles per tank drivers can easily opt to bypass Iowa retailers.

Iowans for Consumer Fuel Choice serves as the voice of reason for responsible renewable fuel development in Iowa. Our perspective is clear ... biofuels are good for Iowa; mandates are bad for Iowans!

