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POET Comments on the California Energy Commission's 2024 Gasoline Summer Outlook Workshop

Additional submitted attachment is included below.

POET

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California Energy Commission Docket Unit, MS-4 Docket No. 23-SB-02 715 P Street Sacramento, California 95814

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RE: POET Comments on the California Energy Commission's 2024 Gasoline Summer Outlook Workshop

POET, the world's largest producer of biofuels, is pleased to submit comments in response to the California Energy Commission's (CEC) <u>2024 Gasoline Summer Outlook Workshop</u> on June 6, 2024. Overall, POET appreciates the Commission's continued focus on affordability, reliability, and equity, especially as the State enters the period of highest gasoline demand.

The workshop on June 6, 2024, focused on providing an overview of gas supply, demand, and overall trends as summer approaches. POET is fully supportive of this proactive approach to ensuring that California consumers are protected from gasoline price spikes during this crucial time of the year. While E15 was not a focus of this workshop, POET would like to highlight how it can help achieve the goals of this workshop.

As discussed in our prior comments and meetings with the Commission on this topic, adopting E15 can be key to providing affordable transportation fuel. As further explained in Attachment A, E15 is critical to saving money without sacrificing fuel economy. Last year, Americans saved an average of 22 cents per gallon with E15 compared to E10 gasoline based on reported prices at the pump, with savings reaching 40-60 cents per gallon.¹ Savings of this magnitude could prove crucial in protecting consumers in times of price spikes as demand surges. California is well positioned to take advantage of E15 with existing transportation fuel infrastructure. E15 is also an important tool in terms of equity, since it reduces tailpipe and evaporative emissions and thereby

- ¹ See Attachment at 1 (2023 E15 pricing data aggregated at <u>https://e15prices.com/</u> and <u>https://growthenergy.org/2023/09/19/summer-savings-with-</u>
- e15/#:~:text=In%20part%2C%20the%20continued%20pressure,cents%20per%20gallon%20in%20Ohio)

helps improve air quality in high-traffic neighborhoods that disproportionately suffer from air pollution and related health risks.²

CONCLUSION

In summary, POET shares the CEC's priorities of establishing a reliable, safe, and affordable fuel supply, especially during the summer. POET would like to highlight that E15 is a proven and available emissions reduction technology that meets California's climate goals and achieves the state's desire for widespread fuel savings across the state. POET appreciates the opportunity to comment and looks forward to working with CEC to provide Californians with cleaner renewable fuel options like E15. If you have any questions, please contact me at Josh.Wilson@POET.COM or (202)756-5612.

Sincerely,

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Joshua P. Wilson Senior Regulatory Counsel

Attachment

² Comparison of Exhaust Emissions Between E10 CaRFG and Splash Blended E15, UNIVERSITY OF CALIFORNIA, RIVERSIDE (June 2022), <u>https://ww2.arb.ca.gov/sites/default/files/2022-07/E15_Final_Report_7-14-22_0.pdf</u>



FUELS SAVINGS AT THE PUMP

E15 saves money without sacrificing fuel economy. Last year, Americans saved an average of 22 cents per gallon with E15 compared to E10 gasoline based on reported prices at the pump, with savings reaching 40-60 cents less per gallon. Department of Energy test program data "showed no statistically significant loss of vehicle performance (emissions, fuel economy, and maintenance issues) attributable to the use of E15 fuel compared to straight gasoline."

CUTS CLIMATE EMISSIONS

E15 is better for our planet because it reduces lifecycle greenhouse gas (GHG) emissions in the fuel supply. Recent studies prove that plant-based bioethanol reduces lifecycle emissions by 40-46% compared to standard gasoline. In fact, a study by Air Improvement Resource, Inc. showed shifting from E10 to E15 in California would cut 1.8 million metric tons of GHG emissions annually, equivalent to removing 411,000 cars off the road.

GET CALIFORNIA ON THE ROAD TO E15

E15 is a 15% bioethanol fuel blend that can boost octane while burning cleaner and cooler than conventional gasoline. In 2011, the U.S. EPA approved E15 for all light-duty vehicles Model Year 2001 and newer and all Flex Fuel vehicles. Since then, Americans have driven more than 100 billion miles on E15. Today, the nation's 245 million E15-approved cars, pickups, and SUVs represent more than 96% of vehicles on the road.

Arizona and Montana just lifted state restrictions on E15, following approvals by Nevada, Oregon, and New York in recent years. Despite the fue's many benefits and longtime use of other bioethanol blends like E10 and E85, California is now the only state where E15 is prohibited.

E15 compliments California's climate and air quality goals. Even with large numbers of new electric vehicles entering the fleet, millions of gasoline-powered engines will be on the road in California for decades to come. Californians should have the freedom to fuel those engines with the cleanest and most affordable fuel option available: E15.



IMPROVES AIR QUALITY

Bioethanol replaces benzene, toluene, and xylene (BTX) in gasoline. BTX is harmful to human health and linked to adverse developmental, reproductive, immunological, and cardio-pulmonary effects. By reducing tailpipe and evaporative emissions, including carbon monoxide, particulates, and volatile organic compounds, E15 can improve air quality in high-traffic neighborhoods that disproportionately suffer from air pollution and related health risks.



UTILIZES EXISTING INFRASTRUCTURE

Most of California's existing fuel infrastructure is E15-ready. Numerous reports by the National Renewable Energy Laboratory, Department of Energy, EPA, and others confirm most underground storage tanks made in the last 30 years are approved up to 100% bioethanol, and most fuel dispensing equipment is manufacturer-approved for E15. California's bulk storage tanks and railcars are also easily repurposed from petroleum to biofuel.

E15 FAST FACTS Approved in 49 STATES Offered at 3,400 STATIONS Approved in 49 STATES Approved in 49 STATES Approved in 49 STATES Approved in 50 BILLION MILES Constantion 50 Stational Sales 10 BILLION GALLONS 10 BILLION GALLONS