

By Senator Evers

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Senate Memorial

A memorial to the Congress of the United States,
urging Congress to repeal the Renewable Fuel Standard
established under the Energy Independence and Security
Act of 2007.

WHEREAS, in enacting the Energy Policy Act of 2005,
Congress established the Renewable Fuel Standard (RFS) program
to ensure that transportation fuel contains a minimum volume of
renewable fuel, and

WHEREAS, the Energy Independence and Security Act of 2007
increased the volume of renewable fuel required to be blended
into transportation fuel from 9 billion gallons in 2008 to 36
billion gallons by 2022, and

WHEREAS, the amended RFS program, known as RFS2, requires
that a greater amount of renewable fuel, including cellulosic
biofuel, biomass-based biodiesel, and other advanced biofuels,
be blended into the motor vehicle fuel supply, and

WHEREAS, a study commissioned by the American Petroleum
Institute (API) estimates that, by 2015, the volume mandates set
forth in RFS2 could increase gasoline prices by as much as 30
percent and diesel prices by as much as 300 percent, and

WHEREAS, the API study finds that, by 2015, the adverse
macroeconomic impacts of RFS2 will include a \$770 billion
decline in gross domestic product and a corresponding reduction
in consumption per household of \$2,700, and

WHEREAS, the API study concluded that, as the renewable
fuel volume obligations in RFS2 increase annually, the "E10
blend wall," the maximum concentration of ethanol of 10 percent

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(E10) that can be blended in gasoline and still be used by most motor vehicles, will soon be reached, and

WHEREAS, the United States Environmental Protection Agency (EPA) amended the total volume fuel mandate for 2014 to 15.2 billion ethanol-equivalent gallons, while the maximum volume of ethanol that can be consumed as E10 under current market constraints, as projected by the EPA for 2014, remains at 13.2 billion gallons, and

WHEREAS, the EPA acknowledges that compliance with RFS2 will be difficult to achieve in 2014, as it does not foresee a scenario in which the market could consume enough ethanol sold in blends greater than E10 or produce sufficient volumes of nonethanol biofuels to meet the total volume of renewable fuel and advanced biofuel required under RFS2, and

WHEREAS, by mandating ethanol volumes far above those which the market can absorb, RFS2 will place consumers and the automotive industry in an increasingly untenable position, and

WHEREAS, according to a study directed by the Coordinating Research Council, the engines, fuel pumps, and onboard fuel measurement systems on millions of motor vehicles could be severely damaged by fuel blends that contain more than 10 percent ethanol, and

WHEREAS, in 2010, the EPA granted partial waivers allowing the sale of gasoline fuel blends containing up to 15 percent ethanol for use in 2001 model year and newer light-duty motor vehicles despite studies showing the potential for damage to millions of motor vehicles, and

WHEREAS, automakers have warned consumers that using ethanol blends that exceed the maximum limits, as specified in

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their respective automotive owner manuals, could result in the voiding of their automotive warranties, and

WHEREAS, the volume mandates set by RFS2 do not account for the impact on the smaller engines that power lawn mowers, generators, and similar equipment, or larger marine engines, and

WHEREAS, over the past three years, the EPA levied penalties mandated by RFS2 on refineries that failed to blend cellulosic biofuel into gasoline, despite the absence of technological advances necessary for the commercial production of cellulosic biofuel, and

WHEREAS, many Florida consumers and national trade groups, among them the American Bakers Association, The American Frozen Food Institute, the American Fuel and Petrochemical Manufacturers, the American Petroleum Institute, the American Sheep Industry Association, the National Marine Manufacturers Association, the National Cattlemen's Beef Association, The National Chicken Council, The National Council of Chain of Restaurants, and the National Turkey Federation, have called for the repeal or amendment of RFS2, and

WHEREAS, state governors, cattlemen associations, and restaurant associations have made repeated requests, which have been consistently denied by the EPA, that the annual mandated fuel ethanol volumes be reduced to adapt to ethanol feedstock market conditions and fleet fuel supply and engine constraints and to accommodate the deficiency in alternative fuel technological advances, and

WHEREAS, alternative transportation fuels, such as natural gas, are emerging freely without the assistance of market-distorting mandates, and

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WHEREAS, innovations in the oil and natural gas industry, including directional hydraulic fracturing, deep water directional drilling, and oil sands production technologies, have reversed declining oil and natural gas production trends in the United States, and

WHEREAS, lower oil import volumes and higher natural gas export volumes have the potential to create a transformative shift in global energy markets, and

WHEREAS, the International Energy Agency projects that the United States will become energy independent within the next 10 years and will surpass Saudi Arabia as the largest oil producer by 2020, and

WHEREAS, innovations in energy efficiency and affordability, along with discoveries of proven domestic oil and natural gas reserves, have strengthened the United States' position in the global energy market, eliminating the original impetus for the drastic increase in renewable fuel standards, as set forth in the Energy Independence and Security Act of 2007, NOW, THEREFORE,

Be It Resolved by the Legislature of the State of Florida:

That the Congress of the United States is urged to repeal the federal Renewable Fuels Standard mandate established under the Energy Independence and Security Act of 2007.

BE IT FURTHER RESOLVED that copies of this memorial be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of

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117 the Florida delegation to the United States Congress.