



August 30, 2019

Byron J. Bunker, Director
Compliance Division
Office of Transportation and Air Quality
National Vehicle and Fuel Emissions Laboratory
2565 Plymouth Road
Ann Arbor, Michigan 48105-2498

RE: F-Factor Guidance

Dear Mr. Bunker:

While the U.S. ethanol industry appreciates the guidance you provided this week on EPA's F-factor for model year 2019 flexible fuel vehicles (FFVs), I am writing to implore you to move more expeditiously on guidance for future model year vehicles and to review data previously provided to EPA demonstrating that a far more meaningful F-factor is justified. The guidance this week, while modestly helpful to those auto companies that produced FFVs last year, was neither robust enough nor timely enough to incentivize expanded FFV production or create new market opportunities for U.S. ethanol.

As you well know, the existing 0.14 F-factor which was extended to 2019 model year vehicles by your guidance document this week was originally adopted in 2014. The market has changed considerably since then, however; and E85 flex fuels are more broadly available today and more price competitive than in the past. We absolutely believe a more robust F-factor, in the range of 0.25 or higher, more closely reflects the recent and expected growth trajectory in flex fuel consumption and would provide a more meaningful incentive for auto makers to accelerate their FFV production.

In the absence of necessary guidance from EPA, auto makers have been more reluctant to invest in FFV production. As EPA's own data show, we have seen a precipitous drop in new FFV production as a result. Auto makers must have assurance of the applicable F-factor well in advance of vehicle production. Ethanol and E85 market opportunities have suffered as a result. That is why it is essential that EPA act as quickly as possible to issue F-factor guidance for future model years. The 2014 guidance covered model years 2016-18 and provided some level of certainty and consistency to auto makers, even though we believe a higher factor was justified. A longer time frame is necessary for future guidance, covering vehicles produced through at least MY2025, if the objective is indeed to encourage investment in low carbon vehicle technologies.

You have indicated that EPA is initiating a “forward-looking assessment” based on “real-world” E85 use and that you will issue MY2020+ guidance “expeditiously.” Please do. Decisions on MY2020 vehicles have already been made. Indeed, those vehicles will be in showrooms shortly. Frankly, even if EPA’s guidance for MY2020 is published tomorrow, it may already be too late. But it is not too late for the Agency to provide meaningful guidance for future model years. As we have always done, the RFA stands ready to work with you to develop the technical data needed to support your guidance. But you must act quickly.

The use of low carbon biofuels like ethanol in existing FFVs remains the single most effective means of reducing transportation-related carbon emissions on a large scale immediately. The president has repeatedly expressed his support for expanding the market for ethanol fuels. Your office’s F-factor guidance for MY2020 and beyond, if done in a timely fashion and with the best-available data supporting a more robust factor, could provide a very necessary incentive to accomplish that goal.

Sincerely,

A handwritten signature in black ink that reads "Geoff Cooper". The signature is written in a cursive, flowing style.

Geoff Cooper
President and CEO