

# Busting Ethanol Myths

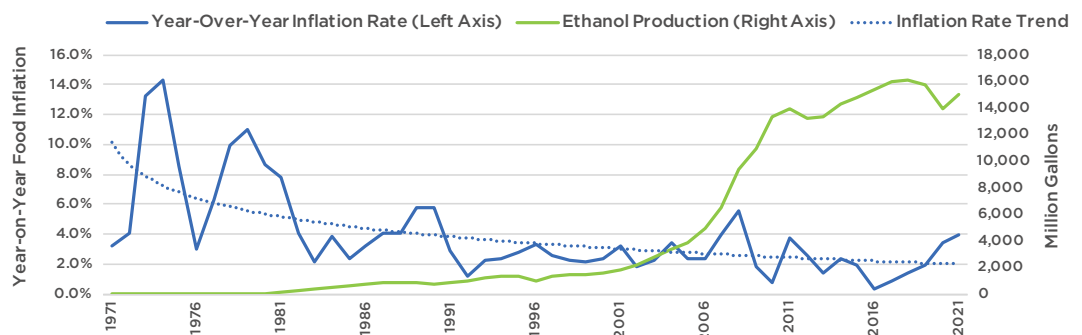
From the “food versus fuel” canard to the “indirect land use change” myth, renewable fuels have been under attack for years. Even though these falsehoods have been disproven time and time again, opponents continue their attempts to halt the ethanol industry’s progress by fabricating new myths and recycling the same old misinformation.



## Ethanol Does **NOT** Raise Food Prices

One of the longest running attacks on ethanol is also one of the most incorrect, as America’s family farmers grow more than enough corn for all uses and corn remains inexpensive as a food ingredient—even at nearly \$6 per bushel. And the total percentage, or “farm share,” of every dollar spent on food has remained below 15 cents, meaning the value of raw agricultural ingredients in our grocery items account for just 15 percent of the retail price on average. In addition, as the ethanol industry has grown over the years, overall food inflation decreased until the pandemic. Other factors, like energy prices and, more recently, supply-chain issues, play a far more significant role in food prices. Other factors, like energy prices, play a far more significant role in food prices. And let’s not forget that ethanol biorefineries make both fuel and feed—returning one-third of every bushel processed to the animal feed market in the form of highly nutritious distillers grains.

**U.S. FOOD PRICE INFLATION  
AND ETHANOL PRODUCTION**

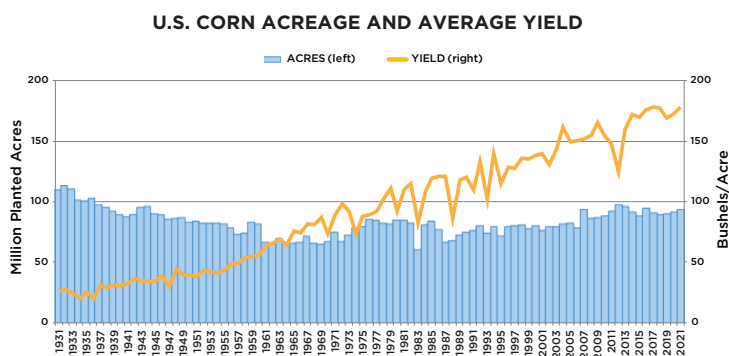


Source: Bureau of Labor Statistics and RFA



## Ethanol Has **NOT** Caused Cropland Expansion

Misinformed ethanol critics often assume that increased ethanol production can only be accomplished with a big increase in cropland, and that forestland and other natural habitat will be converted to corn acres. In reality, there has been very little increase in corn acres planted during the “ethanol era,” because farmers are growing so much more corn per acre. And additional corn acres haven’t come from forest or grassland, they have come from “crop switching” (e.g., replacing wheat or cotton) or expiring CRP. What’s more, since the Renewable Fuel Standard was expanded in 2007, total U.S. cropland has actually trended lower.

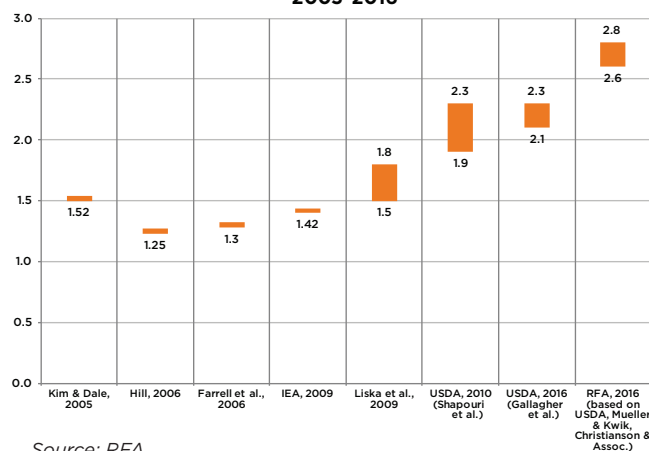


Source: RFA using U.S. Dept. of Agriculture data

## Ethanol’s Energy Balance is Unequivocally **POSITIVE**

For every unit of energy invested into the production of ethanol, the fuel itself provides 2.6 to 2.8 units of energy to the user, on average. The top quartile of dry mill biorefineries are averaging an energy balance of 3.2 to 3.4, with some plants very likely achieving 4.0. As far back as 2007, experts from Michigan State University and the Department of Energy pointed out that ethanol’s net energy balance is more favorable than that of gasoline or coal, an energy source for electric vehicles.

**DRY MILL CORN ETHANOL  
AVERAGE ENERGY BALANCE RATIO ESTIMATES,  
2005-2016**



Source: RFA