

November 13, 2017

The Honorable John Barrasso
Chairman
Committee on Environment and Public Works
United States Senate
Washington, D.C. 20510

Dear Chairman Barrasso:

I am writing to correct some recent misinformation sent to your office by the Petroleum Marketers Association of America (PMAA) on the compatibility of ethanol-blended fuels in underground storage tanks. PMAA's claims that underground storage tanks at fueling stations cannot legally store gasoline containing 15% ethanol are grossly overstated, and their conclusion that the Renewable Fuels Standard (RFS) should thus be reduced is completely unfounded.

Since 1990, all steel tanks and double-walled fiberglass tanks have been approved to store up to 100% ethanol. Further, all double-walled fiberglass tanks and piping have been manufactured for storage of 100% ethanol since 1990 and 1988, respectively. EPA issued guidance in 2001 allowing tank manufacturers to issue letters to fuel retailers and authorities having jurisdiction stating the compatibility of their tanks with specific ethanol blends. All existing tank manufacturers have issued such letters, and today most installed tanks are compatible with E15.

There are some tanks that are potentially still in service that are older than 1990, but they are rare. The Renewable Fuels Association (RFA) continues to work with interested retailers to assess existing equipment, and suggest upgrades when needed. No one is advising that retailers use non-compatible equipment. We work with equipment manufacturers and their vendors to ensure compliance with all state and federal statutes and regulations. There are some stations that need new tanks to offer higher blends, but those tanks are also typically approaching their useful life and will be replaced with or without the introduction of E15.

The expansion of E15 and E85 has continued at a brisk pace in 2017 with more than 1,000 new stations of both fuels expected by the end of the year. The RFA expects this rapid expansion to continue into next year as well. This expansion will also address another concern of PMAA, and that is the "blend wall." PMAA's push to cap the RFS at 9.7% is severely outdated, and certainly does not reflect today's market reality. Indeed, the U.S. gasoline pool already contained slightly more than 10.0% ethanol on average in 2016. These new stations, and the additional volumes associated with E15 and E85, move the needle even more, further demonstrating that even more ethanol can be blended in the future.

There is no basis whatsoever to PMAA's claims and there is no legal justification for this group or any other to seek a reduction in ethanol volumes under the RFS. The RFA is happy to work with the Committee to address any concerns it may have with this important program and will offer again to work with the PMAA to educate its members on options to safely offer consumers the cleaner, cheaper, high octane fuels that consumers prefer.

Sincerely,

A handwritten signature in black ink, appearing to read "Bob Dinneen". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Bob Dinneen
President and CEO

cc: The Honorable Tom Carper, Ranking Member, Committee on Environment and Public Works