The U.S. ethanol industry this year scored a long-anticipated victory with the enactment of year-round E15 availability for consumers. At the same time, we were confronted with the challenge of refinery exemptions destroying domestic demand and trade issues that impacted ethanol exports. Through this time of stress and success, RFA shined, growing its membership and continuing to earn a strong reputation for national leadership.
Dear RFA Members and Friends,

The past 12 months have been momentous for this organization. We’ve had our highs and our lows, from securing the long-anticipated E15 RVP parity that will over time build demand, to another 37 refinery exemptions from the Renewable Fuel Standard that are now destroying demand. We saw our organization shine at events like the National Ethanol Conference in Orlando and a visit by President Trump to one of our member plants in Iowa. And we saw the negative impacts of weather on this year’s corn crop, which, along with the refinery waivers and a trade war, have wreaked havoc on countless farms across America.

Through all this, our organization shined as an industry leader. Political leaders turned to the RFA for ideas and support, and the top news media sought out RFA not just for pithy quotes, but for answers and substantive analysis. We saw this repeatedly, such as at our Washington board meeting in July, when lawmakers made sure to spend time with us. Likewise, when the Wall Street Journal or Fox Business News wanted to find the right person to speak about ethanol, they called on the RFA.

This past year, we may not have won every victory we wanted—who ever does?—but we kept our heads high, and certainly earned the respect of many.

It has been a pleasure and a privilege to chair the RFA board this past year, and I look forward to another year as your Chairman. No doubt, we will fight some of these same battles next year, especially over refinery waivers. Through thick and thin and whatever arises, I know the board and the staff of the Renewable Fuels Association remain committed to action ... and to ultimate success.

Your Chairman,

Neil Koehler
1. NEW LEADERSHIP. In October 2018, Pacific Ethanol’s Neil Koehler became Chairman and Guardian Energy’s Jeanne McCaherty was named Vice Chair. In addition, Geoff Cooper became the new President and CEO, replacing longtime leader Bob Dinneen, who now serves the organization as Senior Strategic Advisor.

2. YEAR-ROUND E15. In an appearance in Iowa last fall, President Trump promised to remove the summertime ban on E15. This promise came true when in May the Environmental Protection Agency rolled out the final rule allowing year-round sales of the blend. Throughout the process, RFA worked diligently behind the scenes to secure the win.

3. WASHINGTON INSIDERS. RFA continued industry-leading advocacy in Washington, D.C. Since the beginning of the 116th US Congress, RFA has had well over 300 meetings on Capitol Hill and at the agencies on a variety of subjects. We met regularly with our Congressional champions, but also with potential supporters and key influencers from states across the country. RFA’s Political Action Committee also upped its activity and influence.

4. SPIRIT OF COLLABORATION. RFA worked to bring allied stakeholders together on key issues and initiatives. We rejoined Fuels America, helped lead the High Octane Low Carbon Alliance, co-founded Biofuels Vision 20/20 to educate 2020 presidential candidates on the benefits of ethanol, partnered with the U.S. Grains Council and Growth Energy on the Ethanol Export Initiative, and collaborated with many non-traditional stakeholders as well.

5. LANDMARK CONFERENCE. RFA hosted USDA Deputy Secretary Steve Censky, former Senate Majority Leader Tom Daschle, GM Vice President Dan Nicholson, California Air Resources Board Executive Director Richard Corey, Economist Phil Verleger, and other thought leaders, political experts and pundits for a series of provocative discussions at February’s National Ethanol Conference in Orlando.

6. PRESIDENTIAL VISIT. In June, President Trump visited RFA member plant Southwest Iowa Renewable Energy to celebrate the year-round E15 announcement, a very rare visit by a sitting president to an ethanol plant. There, he received a personal tour from SIRE CEO and RFA Board Member Mike Jerke and RFA CEO Cooper and heard directly from farmers about the damage caused by small refinery exemptions.

7. REFINERY EXEMPTIONS. RFA kept the heat up on the White House and the EPA over their numerous small refinery waivers from the Renewable Fuel Standard. When six exemptions were announced in March and another 31 in August, we worked with farm groups to raise our collective voices and saw momentum build. President Trump responded by promising a relief package.

8. BOATS, BIKES … AND OFF-ROADERS. As part of our effort to reach new audiences that often hear negative ethanol information, RFA expanded our work beyond the successful Crappie Masters Tournament Trail and the world-famous Sturgis motorcycle rally with a new project targeting off-roaders and general consumers as part of an upcoming Amazon Prime Video series, “Hauk Machines.”

9. GROWING GLOBAL DEMAND. Working with the U.S. Grains Council and other industry partners, we helped ensure ethanol was the fastest-growing ag export this past year. From the Export Exchange in October 2018 to trade missions to a meeting with U.S. Trade Rep. Robert Lighthizer and speaking at the UNICA conference in Brazil, RFA was front and center around the world.

10. EXPANDING THE ORGANIZATION. RFA continued our positive trajectory as a nationally respected trade association, welcoming five current and Prospective Producers and 11 Associate Members to the organization, and adding four new staff members to build out our team.
Securing year-round E15
When the U.S. Environmental Protection Agency announced its final rule in May allowing the year-round sale of E15, it was the culmination of a lot of hard work by RFA staff — work over a series of years that became magnified this year with the October 2018 promise by President Trump to end the outdated summertime ban on the blend.

RFA staff and its legal team met frequently with EPA over the course of the year and submitted detailed comments to the EPA in April in support of the rule-making. RFA President and CEO Geoff Cooper testified at EPA’s hearing on the proposal in March 2019.

In addition to these official actions, RFA issued a new analysis showing automakers explicitly approve E15 for more than 93 percent of new 2019 vehicles. We also formally initiated the process of allowing E15 in the valuable California market and jointly submitted a comprehensive E15 Tier 1 Multimedia Evaluation to the State of California.

Educating stakeholders such as retailers remains crucial as E15 spreads to more locations around the country. This past year, RFA hosted free E15 seminars for consumers and retailers on the heels of President Trump’s announcement. We also held a conference call for media and other stakeholders only a few days following the EPA announcement of year-round E15 sales, “EPA publishes E15 Final Rule – What Happens Now?”.

In addition, RFA shared a guide of E15 Resources geared towards educating retailers and consumers and included a Model Misfuelling Mitigation Plan, E15 Retailer Handbook, and more. Our Model Misfuelling Mitigation Plan remains a key document showcased by the EPA as a best practice for the industry. RFA Director of Market Development Cassie Mullen answered questions and provided information to retailers about E15 and flex fuels at the National Association of Convenience Stores and Petroleum Equipment Institute annual conference in January 2019, host to nearly 30,000 attendees.

Another key element of our success was media outreach on E15. RFA Chairman Neil Koehler appeared on Fox Business News in October to discuss E15 and President Trump’s announcement, and RFA ran E15-related video advertisements on WashingtonPost.com, ads that were seen by more than 370,000 people and had a video completion rate of nearly 85 percent. Following President Trump’s October announcement, we hosted a well-attended press conference call featuring air quality, automotive, boating, and legal experts to set the record straight on E15. With EPA posting of the final rule, RFA held a teleconference with reporters to discuss year-round E15, and Cooper was interviewed by the Wall Street Journal for a May story on E15 that resulted in a June editorial that also quoted him.

After years of working to reduce the burdens associated with the mandatory E15 sampling program, RFA was informed that the RFG Survey Association board of directors approved an adjustment that aligns the program with the EPA E15 proposal and reduces sampling costs. Also, through our work with Magellan, the company modified the language in its Bill of Lading to eliminate restrictive verbiage on E15. Working with RFA, member company GROWMARK announced it will offer pre-blended E15 at terminals in Iowa, Illinois, and Missouri.

Standing up for the Renewable Fuel Standard
As much as ethanol producers and our allies wanted to celebrate year-round E15, we dealt with a challenge that affects the industry far more significantly in the near term — the impact of small refinery exemptions that have destroyed demand well beyond gains from year-round E15.

In this fight, RFA has continued to enlist the help of our industry’s Congressional champions on the SRE issue, resulting in multiple letters and support from dozens of senators and representatives, including Sen. Chuck Grassley’s letter to U.S. Department of Energy Secretary Rick Perry asking about DOE’s involvement. In early April, RFA CEO Geoff Cooper met with Sens. Grassley, Deb Fischer and Joni Ernst to discuss how to address the harmful SREs. In June, Cooper met with the Rep. Collin Peterson, chairman of the House Ag Committee, to discuss the same issue and thank him for his legislation to address it.

RFA worked with these and other champions on Capitol Hill to secure introduction of the Renewable Fuel Standard Integrity Act of 2019, sponsored by Peterson and Rep. Dusty Johnson and aimed at gaining higher SRE transparency. In addition to the bill introduced
the RFS Integrity Act of 2019 in the Senate and RFA issued an additional statement of support.

RFA Chief Economist Scott Richman spoke as an expert panelist at briefings organized by Fuels America for Congressional staffers in May and June and discussed the impact of small refinery exemptions on the ethanol industry, corn growers, and consumers. He also shared the results of an analysis that determined the extensive ethanol demand destruction caused by the small refinery exemptions granted by former EPA Administrator Scott Pruitt.

RFA’s Freedom of Information Act (FOIA) request to the EPA resulted in a treasure trove of documents about its decisions on small refinery exemptions and two major news stories about the controversy in June that exposed the questionable process surrounding the SRE approvals.

RFA also continued to fight for its members through the court system, challenging EPA on its abuse of RFS small refiner exemptions. We filed a substantial brief in our 10th Circuit case challenging EPA’s improper granting of SREs to Holly Frontier and CVR. RFA’s Richman and RFA members Aemetis and Dakota Ethanol provided expert declarations in support of the 10th Circuit litigation. Progress also continued in RFA’s D.C. Circuit Court Case challenging EPA’s failure to reallocate exempted volumes.

Finally, when EPA released its 2020 renewable volume obligations, RFA prepared extensive comments focused not just on the lack of reallocation for refinery waivers, but the dismissal by EPA of its court-ordered mandate to remand 500 million gallons from an earlier court case where the EPA was found to have illegally applied a waiver in 2016. Richman testified at the EPA’s sole hearing on the RVO proposal in July in Ypsilanti, Michigan.

Earlier in RFA’s fiscal year, RFA used its leadership role to combat proposed legislation that would have had a significant impact on the industry. In December, RFA President and CEO Geoff Cooper testified before the House Energy and Commerce Subcommittee on the Environment in opposition to draft legislation, the 21st Century Transportation Fuels Act. This piece would establish a higher-octane fuel requirement (95 RON) in 2023, but it also would sunset the Renewable Fuel Standard’s conventional biofuel requirements after 2022.

“While a good conversation starter, this discussion draft does not provide the long-term certainty and growth path that America’s renewable fuel producers, farmers, automakers, and consumers need,” Cooper testified. “With proper oversight and implementation, the RFS can work in tandem with a high-octane standard to continue to drive innovation, support rural economies, and provide cleaner and cheaper fuel choices at the pump well beyond 2022.”

A high-octane, low-carbon solution

This year, RFA was actively engaged in efforts to promote ethanol as a high-octane, low-carbon solution. We remained highly engaged as a founding member of the High Octane Low Carbon Alliance, led by former Sen. Tom Daschle. The group focused on ensuring high octane fuels and high compression engines have a role in EPA’s impending fuel economy and tailpipe emissions standards. The Alliance met with EPA Administrator Wheeler and other officials and succeeded in getting EPA to solicit comment on the importance of octane in achieving future fuel economy standards.
RFA also continued to promote the low carbon benefits of ethanol, educating policymakers and regulators interested in designing clean or low-carbon fuel standards. RFA is now part of the steering committee of a stakeholder group examining the potential for a Midwest Clean Fuels Standard.

RFA President and CEO Geoff Cooper and Chairman Neil Koehler, together with National Corn Growers Association CEO Jon Doggett, met with California Air Resources Board Chair Mary Nichols in January to discuss ethanol’s current and future role in the state’s Low Carbon Fuel Standard. RFA Vice President for Regulatory Affairs Kelly Davis and RFA Member Chris-tianson & Associates hosted a California Low Carbon Fuels Standard webinar to help members prepare for new compliance and reporting requirements. And in April, RFA provided the California Air Resources Board with comments in support of cost contain-ment features meant to stabilize the LCFS program and boost market sentiment.

**Building global demand**

When it comes to events and meetings to build international demand for U.S. ethanol, RFA’s activity spanned the globe, and the activity has paid off. In March, it was reported that U.S. ethanol exports achieved a new record in 2018, with 1.7 billion gallons of ethanol shipped to more than 80 countries around the world. The 2018 export total beat the previous export record set in 2017 by 25 percent. Nearly 11 percent of total U.S. ethanol production was exported last year.

CEO Geoff Cooper met with U.S. Trade Representa-tive Robert Lighthizer to discuss ethanol industry trade challenges, specifically addressing barriers in China, Brazil, Peru, and Colombia. He also was a featured panelist speaking before an international crowd attending UNICA’s Ethanol Summit June 18-19 in São Paulo, where he joined a panel of leaders from the European Union, India, Brazil, and United Nations’ International Renewable Energy Agency to discuss the long-term need for increased production and use of biofuels worldwide.

RFA’s Kelly Davis was reappointed to the Renewable Energy and Energy Efficiency Advisory Committee, which advises the Secretary of Commerce on programs and policies to expand U.S. renewable energy exports. She also was a featured speaker at a technical seminar organized by the U.S. Grains Council in Medellin, Colombia, where she provided a detailed review of the ethanol and co-product production pro-cess. Davis also provided an overview of the U.S. ethanol industry, the distillers grains production process, and recent technological advances to participants of two conferences organized by the U.S. Grains Council in Athens, Greece.

General Counsel Ed Hubbard spoke at the 8th annual FO Licht’s Ethanol Latin American Conference in Mexico City, discussing the benefits to both Mexico and the U.S. of expanded markets for ethanol. Scott Richman, RFA Chief Economist, joined Mike Dwyer of the U.S. Grains Council on a panel about expanding global markets for ethanol at the SANTANDER ISO DATAGRO New York Sugar & Ethanol Conference in May.

RFA co-hosted the 2018 Export Exchange in October, which facilitated the sales of $256 million worth of distillers grains and $147 million worth of other co-products and feed grains. As a special resource, RFA published a comprehensive statistical summary of 2018 US ethanol coproducts exports and a companion publication on 2018 U.S. ethanol global trade.
Tax and policy efforts
RFA has been a key participant this past year in the Carbon Capture Coalition, which has been focused on developing policy initiatives designed to promote carbon capture and utilization technologies. As part of this work, we were able to help pass reforms to Section 45Q of the Internal Revenue Code which reduced the threshold for 45Q’s tax benefits so that it would be applicable to smaller carbon emitting operations, including ethanol refineries. Enacted as part of the Bipartisan Budget Act of 2018, the reformed 45Q tax credit aims to unleash private capital to invest in the deployment of carbon capture technology across a range of key industries, including electric power generation, ethanol and fertilizer production, natural gas processing, chemicals production, refining, the manufacture of steel and cement, and direct air capture. Since the passage of this tax credit, RFA has worked closely with Coalition partners to provide detailed guidance to the IRS on implementing the credit so that it provides the most benefits and opportunities for carbon capture technology development and expansion. RFA and the Coalition submitted a model guidance document, which is currently being used by the IRS in its ongoing implementation efforts.

Further, the Utilizing Significant Emissions with Innovative Technologies (USE IT) Act provides support for research, development and demonstration of direct air capture technology and beneficial uses of carbon captured from industrial facilities and power plants that reduce emissions, as well as foster cooperative planning and permitting of pipeline infrastructure to transport carbon dioxide from where it is captured to where it can be safely and permanently stored or put to beneficial use. This is another top priority for the Carbon Capture Coalition, and one that builds off the success of the 45Q tax credit. The Coalition worked with key supporters on Capitol Hill to have the legislation introduced in both the House and Senate, and the Coalition is now working to get it included in the final National Defense Authorization Act legislation to be considered soon in the House.

Promoting the Midwest model
In an August tour arranged by RFA and NCGA, a group that included state-level environmental regulators from the California Air Resources Board and the Oregon Department of Environmental Quality, along with representatives from key environmental organizations, took part in a Midwest tour to learn how the agriculture and renewable fuels industries are actively working to improve their carbon profile. The tour stopped at farms and ethanol plants in Nebraska and Iowa, and included representatives from the Union of Concerned Scientists, Natural Resources Defense Council, World Resources Institute, Great Plains Institute and the Environmental Defense Fund.

Field to Market
In April, RFA celebrated Earth Day by announcing membership in Field to Market, an alliance for sustainable agriculture that brings together a diverse group of grower organizations, agribusinesses, conservation groups, universities, and public sector partners to define, measure and advance the sustainability of food, fiber, and fuel production in the United States.
Knowing the importance of accurate and consistent data in communications, RFA released its 2019 Industry Outlook and Pocket Guide in February with the theme “Powered with Renewed Energy.” The go-to annual publication for information on America’s ethanol industry, the Ethanol Industry Outlook provides thoughtful analysis of current issues facing the industry, along with current facts and statistics about the production and use of fuel ethanol. RFA also released an updated brochure helping consumers identify and purchase the latest flex-fuel models.

RFA CEO Geoff Cooper provided the keynote address at the 2019 Fuel Ethanol Workshop in June, giving attendees a summary of the industry’s activities and opportunities at the national level. RFA’s senior staff was also heavily featured at the event and Robert White spoke at Ethanol 101, participated in the industry round-table at the General Session and moderated a panel on Wednesday morning. Kelly Davis moderated a panel on Tuesday afternoon.

Nontraditional audiences

Reaching audiences that often hear contrary ethanol messaging is important to the organization, and RFA has done this in several important ways this past year.

RFA and the National Corn Growers Association signed on as co-title sponsors for the third consecutive year of the Crappie Masters Tournament Trail. Crappie Masters President Mike Vallentine and Crappie Masters TV host Brian Sowers were featured on a June Ethanol Report podcast and showcased the role ethanol plays in the tournament trail and how they educate participants on using E10 on the water and E15 on the road. In addition, RFA Vice President for Industry Relations Robert White spoke at the 2018 Crappie Masters National Championship on the benefits of ethanol to boat owners and all consumers.

The RFA E85 Chopper was also featured at the tournament, which was host to over 300 fishing teams. The motorcycle, a project from the 2018-19 fiscal year, was a key element in several promotions this year. Builder Paul Teutel, Jr. and the E85 Chopper were featured at the 2019 National Ethanol Conference, where Teutel also spoke. It also made its way to Sturgis, S.D., for the popular annual motorcycle rally, where RFA has had a presence for more than a decade.

Finally, RFA kicked off a bold new project with legendary Jeep designer Kenny Hauk, who’s building a custom Flex Fuel E85 Jeep Wrangler sporting more than 1,000 horsepower, to be featured at the November SEMA show in Las Vegas. The custom build is part of a video series, “Hauk Machines,” to be featured on Amazon Prime Video in November; mini-episodes have aired on RFA’s Facebook page.

Educating consumers

The third annual ‘Ethanol Days of Summer’ Contest ran from Memorial Day to Labor Day, offering drivers a chance to win $50 of free fuel by uploading gas prices to E85prices.com. Nearly $5,000 in prizes were awarded, and more than 3,100 new users signed up on the site and app.

RFA also released three videos aimed at educating consumers. The Ethanol Process video gives consumers and students an inside look at how fuel ethanol is produced, the updated Ethanol Facts video highlights information about today’s industry, and the Ethanol & Motorcycles video offers first-hand accounts from bikers who share their experience with ethanol-blended fuels.

RFA PAC stays active

The RFA actively participates in the political process to support ethanol champions in their re-election campaigns. The RFA PAC contributed to scores of candidates in the past cycle by hosting events at the RFA office, participating in stakeholder fundraising events, and supporting RFA member fundraisers in their districts. The RFA PAC auction at the National Ethanol Conference continues to be the primary source of funding for the PAC and we encourage all members to participate.

RFA’s fresh look

In May, RFA unveiled a new, modernized logo and launched a fully re-branded web site. Featuring fresh design elements, crisp imagery, streamlined content, and new information, the RFA site will serve as the
go-to resource for renewable fuel advocates, policy-makers, media, researchers, fuel retailers, students, consumers and others seeking the latest news and data about renewable fuels. The new logo, while paying tribute to past iterations of the well-known RFA brand, new logo features an abstraction symbolizing the “road ahead.”

Media outreach

Engagement with the news media, whether ag-based, policy-based or mainstream, is a vital part of our strategy to reach broader audiences. In November, RFA participated in dozens of interviews with trade media reporters at the annual National Association of Farm Broadcasting conference. Involvement with NAFB at this event and a similar one in Washington each spring, helps us easily reach tens of thousands of farmers and agribusinesses around the country.

Numerous rapid responses, op-eds, and letters to the editor from RFA were published, including letters in The Washington Post and The Detroit News, and columns in the Des Moines Register, Farm Forum and Ethanol Producer Magazine. We also sent letters to the editor to the New York Times, Los Angeles Times and Wall Street Journal.

This past year, RFA remained the go-to source for commentary and quotes in news stories by Bloomberg, Reuters, and other mainstream outlets, and its staff and leadership were interviewed by such top-line media as the Associated Press, CNN, Fox Business and Wall Street Journal.

For the 11th straight year, RFA’s presence was felt at the world-famous Sturgis Motorcycle Rally in South Dakota in August, where we sponsored a Free Fuel Happy Hour that made the day for many bikers and gave us the opportunity to promote ethanol as a safe high-octane fuel for motorcycles.
FACILITATING INDUSTRY STEWARDSHIP

Safety first
RFA has enjoyed a strong partnership with the safety outreach organization TRANSCAER this past year, promoting on-the-ground safety and best practices around the country. This work included jointly hosting ethanol safety seminars in New York, Vermont, Mississippi, West Virginia, Louisiana, Maine and Virginia reaching a total audience of 506 first responders and safety professionals.

TRANSCAER focuses on assisting communities to prepare for and respond to a possible hazardous material transportation incident. TRANSCAER members include volunteer representatives from the chemical manufacturing, transportation, distribution, hazardous material storage and handling, emergency response and preparedness, and related service industries as well as the government.

RFA and TRANSCAER also hosted four online “Train the Trainer” webinars this year, reaching 259 participants, in January, March, July and August. These were funded through a Federal Railroad Administration/TRANSCAER grant and designed to train a group of individuals who can then turn around and pass that information forward, equipping entire communities with the knowledge necessary to respond to any potential ethanol-related emergency.

In addition to the seminars and webinars, RFA also offers a two-hour online training course that is hosted on IAFC Academy. The online training course, “Training Guide to Ethanol Emergency Response,” has served 146 people so far.

In March, RFA earned the National Achievement Award from TRANSCAER for the seventh straight year for providing these industry-leading safety trainings. In addition, RFA Technical Services Manager Missy Ruff was elected to the TRANSCAER Executive Committee in March and received the TRANSCAER Chairman’s Award in June. This award is given to a TRANSCAER team member who has contributed above and beyond the normal call of duty to advocate, demonstrate and implement the safety group’s principles.

Ethanol on the rails
RFA Vice President for Regulatory Affairs Kelly Davis attended the quarterly Association of American Railroads Tank Car Committee meeting. This group works with railroad industry stakeholders to review and establish industry-wide standards for the design and operation of tank cars in North America. Davis also joined railroads, rail car owners and manufacturers, hazmat shippers, and government representatives in an April meeting in Denver to discuss a similar agenda and advocate on the industry’s behalf.

Standards, specifications and technical leadership
RFA is an active participant with ASTM International’s Committee D02 on Petroleum Products, Liquid Fuels, and Lubricants and D02.A Gasoline and Oxygenated Fuels, where RFA Vice President for Regulatory Affairs Kelly Davis is the committee’s Editorial Chair. RFA also participates in ASTM Committee E48 on Bioenergy and Industrial Chemicals from Biomass. Davis is that committee’s Membership Secretary. This committee is working to provide solutions and help eliminate unnecessary barriers to cellulosic ethanol production from corn kernel fiber.

RFA remains engaged with the Coordinating Research Council and co-sponsored several projects in 2019: developing an engine-based test for determining the effect of spark ignition fuel properties on combustion and vehicle drivability; exploring sulfate salt solubilities in gasoline-ethanol fuel blends; and comparing temperature data from 1950-1969 (the
time fuel volatility performance parameters were set) to the modern era, 1996-2015. In addition, RFA continues to provide technical customer service to our member companies via committee interactions, weekly updates, and personal service when contacted.

**Focus on co-products**

RFA’s Davis also participated in the annual meeting of the Association of American Feed Control Officials (AAFCO). AAFCO has a Memorandum of Understanding with the FDA for Food Safety Modernization Act implementation. Davis is a lead instructor for FSMA animal food safety training recognized by the FDA.

In August, the Co-Products Committee was restarted, chaired by Matthew Fitzthum of CHS. More than 40 members, staff and colleagues took part in the We-bEx meeting, which included a presentation by Kurt Rosentrater, Executive Director of the Distillers Grains Technology Council.

Davis also joined the annual symposium of the Distillers Grains Technology Council in May, where she provided an update on the Food Safety Modernization Act and safety inspections.

**Infrastructure insight**

RFA Director of Market Development Cassie Mullen worked with the Petroleum Equipment Institute to educate and facilitate equipment distributor and retail growth of higher blends of ethanol. PEI, a trade association whose members manufacture, distribute and service petroleum marketing and liquid handling equipment. RFA is an active PEI member and is a member of both the PEI Young Executive as well as the PEI Women’s group.

RFA continues to perform site surveys and studies on behalf of retailers who need assistance on existing infrastructure and looking to add higher blends of ethanol to their current offerings.

RFA participated with the Iowa Renewable Fuels Association in the 2019 Mexico Delegation Retailer Mission in Iowa which hosted participants associated with the largest retailers in Mexico including Walmart and Circle K, as well as multiple individuals from the largest fuel importer in the country.


RFA is scheduled in 2019 to participate in three retailer workshops in Mexico which are being held to educate and counsel prospective retailers on the rules and requirements associated with adding higher blends of ethanol to their locations.
This year saw the Renewable Fuels Association go far in promoting new research and analysis grounded in facts to promote the importance of the U.S. ethanol industry. Through the year, RFA has kept up constant interaction with academia and third-party experts to advance sound science and improve modeling tools and methodologies.

One example of this is RFA Chief Economist Scott Richman’s service on the steering committee of the Coordinating Research Council’s lifecycle analysis workshop. The CRC directs engineering and environmental studies on the interaction between automotive/other mobility equipment and petroleum products. In this regard, it provides an important venue for RFA to represent the ethanol industry.

Here’s a sampling of RFA-led research this past year:

- **A study released in February found that the expanded Renewable Fuel Standard has been a tremendous success in reducing greenhouse gas emissions, with nearly 600 million metric tons of GHG reduction since 2007.** Actual GHG reductions under the RFS2 have far surpassed the Environmental Protection Agency’s original expectations of 422 million metric tons, according to the study. The analysis was conducted by Life Cycle Associates.

- RFA in February also released its annual research into the economic contribution of the U.S. ethanol industry. According to the analysis, conducted by ABF Economics, the production and use of 16.1 billion gallons of ethanol in 2018 supported more than 71,000 direct jobs and almost 295,000 indirect and induced jobs across all sectors of the economy, added nearly $25 billion in income for American households, generated an estimated $4.8 billion in tax revenue to the Federal Treasury and $4 billion in revenue to state and local governments, supported more than 16,200 jobs and $6.3 billion in GDP through exports alone, and displaced an amount of gasoline refined from roughly 550 million barrels of crude oil, which if applied to imports would keep $36 billion in the U.S. economy.

- **Internal April research by RFA Chief Economist Scott Richman found that, while there had been considerable discussion regarding the reasons for rising gasoline prices in the late winter and early spring of 2019, the increase in gasoline prices was driven by a surge in crude oil prices since the start of the year, typical seasonal patterns in gasoline pricing—partially reflecting the changeover to summer specifications—and refinery maintenance and unplanned outages.**

- In May, research by economist and energy policy expert Dr. Philip K. Verleger, Jr. revealed that the Renewable Fuel Standard has lowered gas prices by an average of 22 cents per gallon in recent years and saved the typical American household $250 annually. The study used an econometric model to estimate the impacts of the RFS and concluded that by expanding fuel supplies by approximately 1 million barrels per day, the RFS reduced the price of crude oil by an average of $6 per barrel from 2015-2018. In turn, gas price savings of 22 cents per gallon amount to nearly $5 every time consumers fill up.

- A study released in July, conducted for RFA by the Laboratory for Applied Spatial Analysis at Southern Illinois University Edwardsville (SIUE-LASA), exposed fundamental flaws in satellite imagery-based research regarding land use change that was quoted in the EPA’s Second Triennial Report on the RFS, released in 2018. SIUE-LASA’s review of the data sets and methodologies that were used in the prior research revealed some remarkable errors. One conclusion: Using data from the USDA’s National Agricultural Statistics Service, SIUE showed that from 2008 to 2012 in Iowa there was a net increase of only 38,000 acres of cropland as opposed to 263,468 acres and 295,100 acres claimed in two satellite data-driven papers cited by the EPA in its 2018 report.

- In September, a follow-up by Verleger to his May study on gas prices demonstrated how renewable fuels enhance energy security and help act as a counterbalance to consolidation in the oil refining industry. There have been 19 oil market disruptions over the last 46 years, starting with 1973’s Arab Oil Embargo. **According to his new report, a modest amount of renewable fuels can significantly moderate the price impact of market disruptions.** Further, consumers would likely pay even higher prices if the mergers that created the large oligopolistic independent refiners had not been accompanied by a second trend: the creation of an aggressive, competitive petroleum marketing sector.
This year, RFA welcomed several new members to the organization, including producers Aemetis, Ringneck Energy, New Energy Blue, ELEMENT and West Coast Waste, as well as Associate Members GROWMARK, BetaTec Hop Products, Renew Kansas, RSM US, Nebraska Ethanol Board, Advanced Fuel Dynamics, DSM, SUEZ, Mole-Master, MoistTech Corp. and The Greenbrier Cos.

RFA attended and/or presented at numerous member meetings in the year, including meetings held by Show Me Ethanol, Al-Corn Clean Fuels, Golden Grain Energy, Big River Resources, Husker Ag, Badger State Ethanol, Homeland Energy, Absolute Energy, Western Plains Energy, Iowa Renewable Fuels Association, Renewable Fuels Nebraska, Nebraska Ethanol Board, and the Minnesota Bio-Fuels Association. RFA was also invited to speak at NCGA and National Biodiesel Board meetings during the year.

In total, RFA staff made twenty visits to member and non-member ethanol plants in fiscal year 2019 including those mentioned above as well as Mid-Missouri Energy, Lincolnland Agri-Energy, Adkins Energy, Southwest Iowa Renewable Energy, Siouxland Ethanol, Elite Octane, and Lincolnway Energy.

**New staff**

One RFA staff member received a new position in the organization and new faces joined RFA as it reorganized following the October leadership change. Shortly before this took place, Scott Richman was hired as chief economist. In October, Jessica Bennett, who joined the RFA staff in January 2018, was promoted to Vice President of Government & External Affairs; Connor Hamburg joined RFA in October as the new Director of Government Affairs; Jackie Pohlman was hired in November as RFA’s Manager of Member Relations; and Ken Colombini came on board in May as Director of Communications.

**ABOUT THE RENEWABLE FUELS ASSOCIATION**

**Mission**

Drive expanded demand for American-made renewable fuels and bio-products worldwide.

**Strategic Goals**

- Promote increased demand for ethanol domestically and internationally
- Restore and grow political and stakeholder support for ethanol and bio-products
- Support industry efforts to grow cellulosic ethanol production
- Ensure traction for the sound scientific basis for industry’s economic, environmental, carbon, and energy security benefits
- Facilitate responsible industry stewardship
# RFA 2018-2019 Board of Directors

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<th>Name</th>
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<td>Neil Koehler</td>
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* Prospective Producer Member