

# Ethanol Statements by Senators Dianne Feinstein (CA), Charles Schumer (NY) and Hillary Clinton (NY) Factually Inaccurate

“The [RFS] mandate is a dangerous step that could force gasoline prices to soar ...”

The position taken by Senators Feinstein, Schumer and Clinton is a direct endorsement of alkylates, the petroleum industry’s preferred petrochemical replacement for MTBE. Alkylates are more expensive and in shorter supply than ethanol. If ethanol supply shortages arise, the Renewable Fuels Standard (RFS) allows states to trade their ethanol requirements or opt-out of the program. There are no such protections for alkylate shortages.

“... cause shortages of fuel ...”

There is no data to support this statement. If an RFS is not passed, the status-quo RFG requirements are far more regionally restrictive and more likely to cause spot gasoline shortages.

“... create more smog ...”

In the most exhaustive ethanol analysis undertaken to date, the CA Air Resources Board (CARB) produced no hard data over a three-year period showing that ethanol increases smog. Actual automobile tests conducted by CARB showed that gasoline without additives, touted by the oil industry and Senators Feinstein, Schumer and Clinton, increases smog in comparison to ethanol-blended fuels.<sup>1</sup>

“... and usher in the next energy crisis.”

When MTBE is eliminated, there will be a volume and octane void in the national gasoline pool that could cause an energy problem. An RFS compels the oil industry to utilize ethanol to at least partially fill the void, and diversifies the liquid fuels industry. No RFS allows the oil industry to gamble pump prices on the availability of more untested and limited-supply petroleum compounds, in the same way they risked water contamination with MTBE years ago. A vote against the RFS misses a rare opportunity to invite U.S. companies on U.S. soil with U.S. workers to help fill the MTBE void, and reduce petroleum demand.

“The mandate is corporate welfare ... fleecing American consumers ...”

Every gallon of liquid fuel consumed in the United States, whether oil or ethanol, is subsidized. While ethanol receives less than \$1 billion in annual subsidies, oil is supported by a minimum of \$15 billion annually, not including the cost of overseas military deployment. In a market where only two products are available to meet demand, a vote against ethanol is a vote for oil. Americans are better off with ethanol.

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**Prepared by the Renewable Energy Action Project (REAP), and endorsed by the following REAP members:** Climate Solutions, Bluewater Network, Environmental & Energy Study Institute, Californians Against Waste, Oregon Environmental Council, The Brower Fund, SEED Coalition, Central Sierra Environmental Resource Center, Kinergy Resources, West Coast People’s Energy Co-op, Institute for Local Self-Reliance, Institute for Agriculture & Trade Policy, California Renewable Fuels Partnership, Masada Resource Group, Blue Skies Alliance, General Biomass Company, Ohio Biomass Energy Program, California Farmers Union, The Minnesota Project, Plumas Corporation, Oceanic Resource Foundation, County of Ventura Public Works Department, Tides Foundation, Illinois Student Environmental Network (ISEN), Waterkeeper Alliance, Save Our Shores, International Marine Mammal Project, Clean Energy Now (Greenpeace), Kettle Range Conservation Group, Cook Inlet Keeper,

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<sup>1</sup> July, 2001 Automobile Alliance Tests: <http://www.arb.ca.gov/cbg/meeting/2001/071201AAPrtn.pdf>

*New River Foundation, Earth Island Journal, Waste Action Project, Pacific Biodiversity Institute, Mangrove Action Project, Citizens Committee to Complete the Refuge, Northwoods Conservation Association*