

May 28, 2025

Honorable Jerry Cirino
Chairman
Ohio Senate Finance Committee
Columbus, Ohio 43215

Chairman Cirino,

Growth Energy is the world's largest association of biofuel producers, representing 97 U.S. plants that each year produce more than 9.5 billion gallons of cleaner-burning, renewable fuel, including five of Ohio's seven biorefineries. We also represent 131 businesses and groups, including the Ohio Corn and Wheat Growers Association, working with them and tens of thousands of biofuel supporters around the country. Together, we remain committed to bringing better and more affordable choices at the fuel pump to consumers, helping our country diversify our energy portfolio in order to grow more energy jobs, sustaining family farms, and driving down the costs of transportation fuels for consumers.

Today, 98 percent of all gasoline sold in the U.S. contains 10 percent bioethanol. E15, a fuel containing up to 15 percent bioethanol, is now available at more than 4,000 retail locations in 33 states, and higher bioethanol blends such as E85 are available at nearly 6,000 sites around the country. In Ohio, there are currently only 166 retail fuel locations selling E15. *Less than two percent of the state's estimated 8,894 retail fuel locations offer E15.*¹ Compare this to Minnesota, with half of Ohio's population, that has more than 500 retail locations offering E15.

E15 is approved for all 2001 and newer vehicles, more than 96 percent of all light duty vehicles on the road today. Most vehicles require a minimum octane rating of 87. Bioethanol, with an octane rating of 113, helps meet that in modern cars. Bioethanol is a cleaner, renewable, and cost-effective alternative to toxic chemicals like lead and MTBE.² E15 is also typically less expensive than E10, with Ohio drivers seeing as much as a 20 cent per gallon price difference. Consumers have now driven more than 140 billion miles on E15, and retailers have conducted millions of transactions with this fuel. There have been no adverse reports of fuel quality experienced with E15 since first being approved 13 years ago.

As the Ohio Senate works through the state's biennial budget, Growth Energy encourages the Senate Finance Committee to consider a budget item in the House's budget legislation that helps provide a temporary boost to Ohio's corn growers via a five-cent per gallon incentive for retailers to offer and sell fuels with higher blends of ethanol. A similar incentive has passed the Ohio House

¹ <https://www.xmap.ai/blog/gas-station-data-insights-of-ohio-state-an-insightful-guide-for-businesses>

² <https://growthenergy.org/wp-content/uploads/2024/11/GBIO-24100-Engine-Performance-2024-11-12-R2-1.pdf>

the previous two General Assemblies. The incentive, as passed by the Ohio House in H.B. 96, would help Ohio corn growers with increased domestic demand for their product as international markets are experiencing continued uncertainty and the USDA forecasts a potential 25% decline in farm income.

The House-passed provision is *not a mandate*. It is the exact opposite. The proposed E15 incentive *expands* consumers' fuel choices rather than restricting it, particularly a fuel produced with Ohio-grown crops. A \$10 million investment in higher bioethanol blends will result in as much as \$57 million in *additional* corn purchases by bioethanol producers and the production of an additional 200 million gallons of E15. This increased production in bioethanol would also result in the availability of an additional 29 million pounds of nutrient-rich animal feed, an important co-product in the bioethanol production process, for Ohio livestock farmers. Further, among states that have considered similar five-cent per gallon incentives, Indiana would see \$100 million in additional GDP when an E15 incentive is combined with a biodiesel sale.

Additionally, the proposal as passed by the Ohio House contains important cost containment measures, ensuring the grant prioritizes and targets *new* E15 sales and provides a \$100,000 per fuel retail location cap on eligibility. At a time when state legislatures are focused on being discerning and responsible stewards of taxpayer dollars, these measures are important to guaranteeing the state's investment in E15 *expands* the market and increases the upstream benefits to Ohio corn growers and the downstream benefits to consumers.

As of today, our retail partners and consumers must rely on the uncertainty of annual waivers from the U.S. EPA to ensure year-round sale of E15. The debate in Washington over a permanent federal fix for year-round E15 sales is important to Ohio's biofuels and agriculture industries. But the proposed incentive should not be confused with those federal efforts to establish year-round E15 access. In fact, despite the lack of a permanent fix for year-round E15 sales, E15 has been legally sold year-round for six years, with this summer's waiver from the EPA being the seventh year. An incentive for E15 in Ohio will help drive investment in the state's biofuels, fuel retail, and agriculture industries, particularly it will allow Ohio to compete with the several fellow Midwest states already incentivizing E15.

The implementation of similar incentives in other states have not had an impact on gas prices. In the five states with incentives (Illinois, Iowa, Missouri, Nebraska, and South Dakota), E15 cost on average 17 cents per gallon less than E10 last summer, compared to 16 cents nationwide. Not only do consumers nationwide experience savings by filling up with E15, but states that provide incentives to offer it see savings greater than the national average.

Ohio has the opportunity—right now—to help bolster flagging corn sales and provide Ohio drivers with a more affordable choice at the pump. When considering the consumer savings and

the benefits to both Ohio agriculture and bioethanol producers, a temporary incentive will boost economic activity and benefit the state's bottom line.

Given our experience with retailers around the country offering bioethanol blends, we are happy to assist the committee with technical questions as it considers initiatives that help strengthen domestic demand for Ohio-raised corn and Ohio-made bioethanol.

Sincerely,

A handwritten signature in black ink, reading "Dallas Gerber". The signature is fluid and cursive, with the first name "Dallas" being more prominent than the last name "Gerber".

Dallas Gerber
Director of State Government Affairs
Growth Energy