



**Indiana Ethanol
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EPA Greenlights Ethanol Increase in Fuel Blend

Decision a Good First Step for Indiana Ethanol Producers

NORTH MANCHESTER, Ind. – POET North Manchester today embraced as an “important first step” the Environmental Protection Agency (EPA) decision to raise the blend wall from E10 to E15 for 2007 and newer vehicles, in response to Growth Energy’s Green Jobs petition. However, ethanol supporters said much more must be done to reduce America’s dependence on foreign oil, create jobs here in the United States and improve our environment.

Today’s decision will apply to more than 42 million vehicles – about 20 percent of the current fleet of passenger cars and light-duty trucks in the U.S., all 2007 and newer. In November, after engine testing on those models is completed, EPA is expected to decide whether to approve E15 for vehicles 2001 to 2006. Approval of those 86 million cars and trucks would mean that E15 would be allowed in more than half of the total passenger cars and light-duty trucks on the road today.

The existing E10 standard – which permits up to 10 percent ethanol blended into fuel – was set in the 1970s to help spur the growth of a domestic, renewable fuels industry in answer to America’s first major oil crisis, engineered by OPEC. In March 2009, Growth Energy, the coalition of ethanol supporters, filed a petition with EPA to permit the raising of that regulatory cap on the ethanol blend from 10 percent to 15 percent.

For the Indiana ethanol industry, the decision means more consumer demand and more ethanol sales. According to a report released last year by Growth Energy, completed by the Windmill Group, in consultation with researchers from North Dakota State University, E15 approval for all vehicles could create 3,409 full-time jobs and inject \$607 million into the Indiana economy. Those positive numbers don’t include the one-time boost of \$740 million and 6,170 construction-related jobs Indiana would need to expand its ethanol production capacity to meet increased demand.

“We are excited about increasing the number of vehicles on the road approved to utilize E15,” commented Bryan Christjansen, President of the Indiana Ethanol Producers Association. “Indiana’s ethanol plants produce a quality fuel that will attract even more consumers as a result of today’s announcement by the EPA.”

Currently, Indiana has 11 operating ethanol plants, with the capacity to produce more than 1 billion gallons of ethanol annually. A new facility in Cloverdale is set to open in the spring of 2011, bringing up to 45 new, permanent jobs to Putnam County and hundreds of secondary jobs.

Today's modern ethanol industry supports U.S. jobs by producing a renewable, domestic fuel that is at least 59 percent cleaner than conventional gasoline. By allowing E15 as an option on the market, the U.S. could create 136,000 new jobs, decrease carbon emissions equivalent to removing 1.35 million vehicles from American roads, displace as much as 7 billion gallons of gasoline from imported oil and expand the market-demand necessary to help make cellulosic ethanol commercially viable.