American Corn Growers Foundation

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For Immediate Release

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ACGF Chairman Says With EIA Projections as High as $4 a Gallon Gas It's No Time For Congress To Weaken Ethanol RFS and It's High Time for Congress to Extend Wind PTC

WILCOX, Neb. – Feb. 8, 2012 –"Yesterday the U.S. Energy Information Administration (EIA) boosted its forecast for global oil demand and said it expects gasoline prices to average $3.55 per gallon in 2012, up 2 cents from 2011 and there is a one in four chance they could jump above $4 a gallon in June. Given that report and the need to create jobs in America this is no time for members of Congress to be talking about weakening the Renewable Fuels Standard (RFS) for ethanol or delaying action on extending the wind energy Production Tax Credit (PTC)." If Congress wants to cut subsidies, let them first cut the massive, 100-year old oil and fossil fuel subsidies," said Gale Lush, Chairman of the American Corn Growers Foundation (ACGF).

Lush is reminding federal and state political leaders, economic development officials, members of Congress, farmers and the energy consuming U.S. public that the Renewable Fuels Standard (RFS) assures that about 15 billion gallons of ethanol, our nation's ultimate flex fuel, will be in our gasoline pipeline supply to help hold down gas prices at the pump. Lush points out that, like ethanol, wind energy and the federal wind energy Production Tax Credit (PTC) means jobs, energy independence and economic development for the entire U.S.

"A Renewable Fuels Association (RFA) official recently and correctly pointed out that a bill introduced by Congressman Pete Olson, R-Texas is little more than a Trojan Horse attempt to try to open up the RFS on Capitol Hill with the ultimate goal being to repeal it completely," said Lush. "The farm and renewable energy sector had best be on our toes because members of Congress from the oil states, driven by the oil industry have shown their hand. They got Congress to eliminate the ethanol tax credit effective 12/31/11 which has already raised gas prices on consumers. Now they are trying to weaken or eliminate the RFS. That would be the most regressive step Congress could take at a time when our country needs to create jobs, stimulate our economy and become energy independent. How can some members of Congress not realize the tremendous economic driver that ethanol is for America? States like Nebraska, South Dakota, North Dakota and others have such low unemployment largely because the farm economy is strong and ethanol is the main economic driver for that."

"Wind energy is another economic superstar and the federal wind energy Production Tax Credit (PTC) is a big part of that success story," said Lush. "According to Denise Bode, CEO of the American Wind Energy Association (AWEA) "extending the renewable-energy PTC is one of the simplest and best ways Congress can leverage private capital, create manufacturing jobs and put more Americans back to work. A stable tax policy would keep the U.S. wind sector on course to employ nearly 100,000 workers in four years and to support 500,000 jobs by 2030. Bode cautioned, "but these jobs could vanish if Congress allows wind's federal PTC to expire, in effect enacting a targeted tax increase, crippling an American manufacturing success story and sending our jobs to foreign countries." Lush added that the governors of Iowa and Kansas recently wrote letters to federal lawmakers calling for the wind PTC extension to be included in the payroll tax cut extension.

"Whether it's the ethanol RFS or the wind PTC Americans need to be on alert to protect and extend these critically important renewable energy incentives for the benefit of all Americans. The ethanol and wind energy industry and their leaders in Washington, DC need to form a renewable energy coalition and work together so these valuable programs and incentives are not picked apart and dismantled one-by-one," concluded Lush.

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