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For Immediate Release

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Make Renewable Energy Subsidies Untouchable Like Fossil Fuel Subsidies Says ACGF Chairman ...Expand Ethanol Use to Keep U.S. Gasoline Prices \$1/Gallon Lower for All U.S. Motorists

WILCOX, Neb. – June 26, 2012 – “Congress likes to talk about creating jobs but a recent farm market reporting service indicated that the staffs of seven Republican members and one Democrat member of the U.S. Senate are developing plans to eliminate or reduce the Renewable Fuels Standard (RFS) for ethanol after the November elections. That would be a massive job and economic killer,” says Gale Lush, Chair of the American Corn Growers Foundation (ACGF). “That news report should put farm and commodity organizations, as well as consumer-oriented members of Congress on high alert. Ironically, a recent report by Oil Change International says the G20’s commitment to reduce crude oil subsidies is going nowhere. The report, “Phasing Out Fossil-Fuel Subsidies in the G20” released earlier this month is confirmation that governments are not phasing out oil subsidies. The report says that oil subsidies are expected to more than double by 2020, from \$312 billion in 2010 to \$660 billion in 2020. Doubling oil subsidies is a doubly bad double standard. Let’s not forget that it was the oil lobby and their oil-subsidizing friends in the U.S. Senate that got rid of the only ethanol subsidies our industry had (the Volumetric Ethanol Excise Tax Credit-VEETC and the Ethanol Import Duty) so they ended on December 31, 2011. Apparently the only subsidies the oil and fossil fuel industry believes in are their own,” said Lush.

“Instead, Congress should double renewable energy subsidies and make them untouchable. That is where a massive opportunity exists for more jobs. Spending more on fossil fuel subsidies is absolutely the wrong direction, especially in the U.S. It is totally out of step with what the majority of the American people want,” said Lush. “It’s high time to make ethanol, biofuels and wind energy subsidies permanent and even more untouchable than fossil fuel subsidies. Ethanol, biofuels and wind energy are all about U.S. energy security and the creation of thousands of good paying jobs in renewable energy here in the USA, that can’t be outsourced.”

Lush added, “The Global Renewable Fuels Alliance (GRFA) has consistently called on the G20 and its leaders to adopt policies that encourage and support biofuels development. The GRFA is right on target with their support for biofuels. The economic benefits of those billions of gallons of ethanol in the U.S. motor fuel supply, whether it’s E10, E15 or higher blends, keep adding up. Recent updated research by the University of Wisconsin and Iowa State University shows that ethanol in the fuel supply reduced wholesale gasoline prices to U.S. consumers by \$1.09 per gallon or about \$1,200 per household in 2011. That was a giant savings to the U.S. economy of nearly \$146 billion in 2011. According to the Energy Information Agency 134 billion gallons of gasoline were consumed in the U.S., including about 13 billion gallons of ethanol in 2011. \$1.09/gallon savings multiplied times 134 billion gallons equals \$146 billion in reduced gasoline prices at the pump to gas consumers in 2011 alone. The study shows since 2000 ethanol has saved consumers about \$40 billion per year,” said Lush.

“Wind energy is another economic and energy security, job creating superstar. It creates thousands of U.S. jobs”. That’s likely why Microsoft and Sprint, two Fortune 100 companies, recently called on Congress to extend the wind PTC. If Congress fails to extend the PTC more than 400 wind manufacturing facilities in 43 states are facing imminent risks of layoffs and shutdowns for lack of orders. According to the American Wind Energy Association (AWEA) the Production Tax Credit for wind has been in place without interruption since 2005 and has led to 47 GW of new wind capacity, equal to about 94 power plants, spurring nearly \$70 billion in private investment. Largely owing to the PTC, wind energy accounted for 35% of new electrical generation capacity installed in the past four years, and now supplies 20% of electricity needs in states like Iowa and South Dakota. Nationwide the wind energy industry supplies close to 3% of electricity nationwide and on track so far to make 20% of all of America’s electricity by the year 2030. AWEA reports a 2010 public opinion survey shows that 89 % of American voters believe more wind energy is good for the United States,” concluded Lush.