

October 5, 2017

Administrator G. Scott Pruitt
U.S. Environmental Protection Agency
Docket ID No. EPA-HQ-OAR-2015-0827
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Secretary Elaine Chao
U.S. Department of Transportation
1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

Dear Administrator Pruitt:

We the undersigned fuel marketers and retailers, who representing nearly 160 c-stores and gas stations, urge the Environmental Protection Agency (EPA) to use the mid-term evaluation of the 2022-2025 model year vehicle emissions and efficiency standards to level the playing field for alternative fuel technologies. Specifically, we encourage EPA to restore incentives to automakers for the production of flexible fuel vehicles (FFVs) because they are an imperative tool in reducing petroleum use and greenhouse gas (GHG) emissions.

This issue is critical to us because we have made significant investments in site upgrades and fueling equipment to offer our customers E85 and other flex fuels. In recent years, EPA has pointed out the ethanol capabilities of FFVs were underutilized due to insufficient E85 infrastructure, and we took action to remedy that situation by making flex fuels more widely available. Our investments are beginning to pay off as motorists fill up with cost-effective E85 at the highest volumes our stations have ever seen. However, if FFV incentives are allowed to die on the vine, flex fuel volumes will dwindle, and our investments will be stranded along with over \$200 million in new flex fuel infrastructure investment made at other petroleum marketers' businesses over just the past two years.

It seems counterintuitive for EPA to take the FFV credit away from auto makers when flex fuel availability and use is finally expanding the way EPA had envisioned. The federal government provides generous incentives for EVs, PHEVs and CNGs, allowing them to count as more than one vehicle in the manufacturers' compliance calculation and assuming high levels of alternative fuel use for CAFE and GHG purposes. Meanwhile, the rapid decline in FFV credits has already caused the automakers to begin phasing out production of FFVs at the same time E85 use is increasing and E85 stations are expanding. Alternative fuel vehicle technologies should receive fair and equal treatment by the federal government, and the government needs to be patient and maintain consistent policies that support long-term investment in fuels and infrastructure.

Restoring FFV credits would not only help reduce GHG emissions, it would do so at no cost to the federal government, while also reducing fuel cost for American drivers. With more than

20 million FFVs on the road nationwide and with E85 currently priced between 50 to 60 cents less than regular gasoline at 4000 fueling locations nationwide, restoring credits for FFVs would help millions of Americans save at the pump.

We encourage EPA to create a level playing field by restoring a meaningful credit or multiplier for future FFV production.

Sincerely,



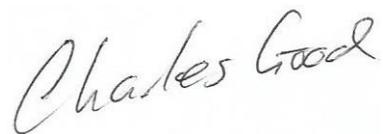
Mike Lewis
Co-Founder of Pearson Fuels
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Kent Satrang
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Bob O' Connor
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