



## Brian Jennings Remarks

### 2017 American Coalition for Ethanol Conference Tested.....Proven....Driven

Omaha, Nebraska  
August 16, 2017

- Thank you Duane.....good morning to ACE members and friends... thank you for joining us.
- This year marks the 30<sup>th</sup> anniversary of this grassroots organization and we're honored that three of our past Presidents are with us today. As I introduce them, I ask that they stand and be recognized.....
  1. **Bob Scott** was President when I was hired....while Bob retired from industry, he still attends most of our conferences.....Bob, I will always cherish your wisdom, support, and friendship....thank you for everything...
  2. **Brian Wilcox** also served as President of ACE....while it may have been for a short period of time....it was an important period of time and we're grateful for your service Brian....
  3. And **Lars Herseth** is here as well....I will always owe a great debt of gratitude to Lars for his strong leadership of ACE at a time when we needed it most....thank you Lars for your guidance and friendship...
- Finally I ask that all current and former ACE Board members stand and be recognized.....thank you for volunteering your time and talent to the ethanol industry over the last 30 years.....
- The theme for this year's conference is **Tested....Proven....Driven.....**and I think it aptly describes not only the fuel we produce.....**Tested....Proven....Driven** also describes the people of this industry....people in this room....as we pursue our top priority of increasing market access for ethanol.....
- One of the things I appreciate most about ACE members is that despite adversity we've faced over the years....despite some resistance we face today....you don't give up.....you roll your sleeves up and get to work....
- So taking the lead from you....instead of dwelling on our challenges....I want to highlight some of the work we are doing and progress we are making to increase ethanol use here and abroad....
- We're as close as we've ever been to getting Reid Vapor Pressure (RVP) relief for E15 and higher ethanol blends thanks to bipartisan leadership in Congress and a new way of thinking at EPA....



- I'm sure everyone knows that the Senate is in a holding pattern as a result of the EPW Committee postponing their vote....so during this critical month of August I ask you to encourage your Senators to be creative and relentless in exploring ways to enact RVP legislation when they return to DC next month....there's more than one way to pass a bill.....they simply cannot give up now that we're so close....
- On the other end of Pennsylvania Avenue.....EPA Administrator Pruitt is examining his options for RVP relief....if ever there was an "Exhibit A" for a regulation in need of reform....it would be the Reid Vapor Pressure limit....it's important for all of us, and influential leaders like Nebraska Gov. Pete Ricketts, to remind the White House and EPA that failing to reform the RVP regulation hurts consumers and does damage to rural America...
- While we tackle artificial barriers like RVP here at home....high-octane ethanol is in high-demand around the world....ACE is getting more actively involved in export promotion.....in fact later this week, at the request of the US Grains Council, Ron Lamberty will be in Mexico to meet with gas station owners about transitioning to E10.....and next month I will join Grains Council leaders in Brazil pressing for continued free and fair trade for ethanol....
- After years of EPA mismanagement....believe it or not....we actually have some positive developments regarding the Renewable Fuel Standard....
- Late last month the U.S. Court of Appeals for the DC Circuit handed down a decisive victory in our lawsuit over EPA's decision to waive the RFS based on the blend wall.....the Court agreed with us that supply means supply and demand means demand....the Court ruled that EPA cannot use infrastructure constraints or oil company foot-dragging as excuses to ride the brakes on RFS volumes....now we have the opportunity to work with EPA to restore the 500 mg shortfall to the 2016 RVO....
- There is also every indication that EPA will soon confirm they are rejecting petitions from a handful of refiners to move the RFS point-of-obligation to downstream blenders.
- I'd like to remind all of you that a big reason we expect to win the PoO issue is because you didn't stand on the sidelines during the debate, through ACE and other organizations you made your voice heard.....
- To that end....we need your voices to speak loud and clear again by submitting comments to EPA before August 31 regarding the 2018 RFS.....in your comments please thank EPA for proposing 15 bg of conventional biofuel, but caution them against unlawfully reducing volumes based on the blend wall.....we also need to convey to EPA that dozens of existing plants are exploring corn kernel fiber technology, so the Agency needs to increase the cellulosic target in the final rule....



- Simply put, backpedaling on the RFS won't make America great again....we all need to be vocal about the fact that a strong rural economy depends upon *growing* demand for renewable fuels....
- ACE believes that the best way to grow demand well into the future is to harness the octane value ethanol brings to the table....
- That's why we are very encouraged by the announcement late last week that EPA will revive a comment period on fuel economy requirements for 2022-2025 MY vehicles....for the first time ever, EPA is inviting comment on the potential for high-octane blends to help meet the standards.....this is a golden opportunity for the ethanol industry and our automaker partners.....an opportunity to make the case for how high-octane fuel in the E25-30 range can and should be part of the solution to automaker compliance with the CAFE-GHG program....
- Be sure to catch tomorrow morning's panel discussion featuring Trey Binford of Wayne, Brian West of ORNL, and Adam Gustafson of Boyden Gray and Associates as they share updates on the steps being taken to make high-octane fuel a reality in the future....
- Finally, we're making progress with E15....closing in on 1000 locations in 30 states....I describe the ACE approach to developing markets for E15 and higher blends as "message and messenger."
- Our message is simple: retailers can make money and get a leg up on their competition by offering E15 and higher blends to their customers....
- It's our messenger that's most important: When we talk to retailers and target paid advertising toward them, ACE highlights fellow retailers who have "been there, done that," ....retailers big and small who've had success offering E15 and higher blends to their customers.....our experience tells us it's *their experience* that matters most....they are the ones who have credibility convincing other retailers to make the move....
- To talk more about that, I ask Ron Lamberty to come to the stage.....Thank you for your attention...