



April 27, 2020

The President
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

On behalf of the members of the American Coalition for Ethanol (ACE), I write to request the administration quickly initiate a plan to aid ethanol producers struggling to survive the catastrophic economic fallout of COVID-19.

With the economy ground to a halt to slow the spread of the coronavirus, ethanol demand has fallen at a sudden and severe rate. More than half of U.S. ethanol production capacity is already offline, high-skill jobs are being shed, livestock and food processing customers are facing supply disruptions, and our members' working capital is vanishing. Ethanol use could fall by more than 3 billion gallons in 2020, eliminating the market for at least a billion bushels of U.S. corn.

Now is the time your leadership in support of America's farmers and the renewable fuels sector can help cut through bureaucratic red tape and respond to the mounting economic harm.

Over the last month, we have written Environmental Protection Agency (EPA) Administrator Wheeler and U.S. Department of Agriculture (USDA) Secretary Perdue to urge them to use authorities within their discretion to quickly assist the ethanol industry.

As you did on April 21, when you directed the Secretaries of Energy and Treasury to formulate a plan to provide funds to the oil and gas industry, we urge similar action for our sector.

In our April 3 letter to Administrator Wheeler, we requested his use of existing statutory authority to ensure the 20.09 billion gallons of renewable fuel required by the Renewable Fuel Standard (RFS) – and promised by EPA this year – will be consumed. COVID-19 exposed a shortcoming in the Agency's rulemaking, and failure to increase the RFS this year will result in a waiver of promised gallons. In an April 16 *Reuters* article, a spokesperson said EPA "will make the appropriate determination at the appropriate time," but the Agency has not responded to our request. Every day EPA delays action is another day of economic catastrophe for renewable fuel producers.

Our April 13 letter to Secretary Perdue requested he utilize funding in the Coronavirus Aid, Relief, and Economic Security (CARES) Act to provide emergency assistance to ethanol producers. ACE supported congressional efforts to increase USDA funding for this effort, and many in Congress encouraged USDA to provide ethanol producers the aid. Unfortunately, USDA declined this much-needed assistance on April 17 citing a lack of funding.

We believe a more urgent response is needed. Fortunately, the administration has tools that can be deployed with the necessary political will. A directive to your Cabinet, similar to the one you have given in support of the oil and gas industry, would provide a much needed boost to ethanol producers and rural America.

Sincerely,

Brian Jennings, CEO
American Coalition for Ethanol