July 9, 2009

Mr. Joe Gomez
State of New Mexico
Chair, Laws & Regulation Committee
National Conference on Weights and Measures
Via email: jgomez@nmda.nmsu.edu

RE: Section 2. Standard Fuel Specification Amendments to the Uniform Fuels and Automotive Lubricants Regulations

Dear Mr. Gomez,

The Renewable Fuels Association (RFA) and Downstream Alternatives Inc. appreciate the opportunity to provide supportive comments on the proposed fuel regulation modifications for NIST Handbook 130, agenda item (key reference number) 237 from the Law & Regulations Committee agenda for the July 2009 meeting. We believe the proposed modifications will help to achieve the goals outlined in the Energy Independence and Security Act of 2007. Today, the US fuel market is expanding to combine energy and environmental goals culminating in a very complex and changing profile. We expect this trend to continue with the introduction of additional alternative fuel production and use. From an ethanol perspective, 2009 proves to be the largest ethanol production year ever as nearly all of gasoline today is blended with 10% ethanol: we expect 10% ethanol blends may soon be the “standard” fuel available in the United States. This will be of tremendous benefit to consumers by providing a domestic, renewable, low carbon, clean burning fuel that will lower gasoline prices and make real strides toward energy and environmental security.

The proposed modification to the 2010 edition of the NIST Handbook 130 regulations recognizes the growth in ethanol blended fuels and thus seeks to clarify fuel quality expectations.
The modifications recognize the impact that ethanol has on base fuel volatility. Bottom line is that today’s automobile fleet will not experience any adverse driveability or performance effects from the proposed fuel volatility specification being consider for ethanol blends. In short, we believe the amendments for the gasoline/oxygenate fuel blends section of the NIST Handbook 130’s Uniform Fuels and Automotive Lubricants Regulation – Section 2. Standard Fuel Specifications provide the needed guidance for fuel quality while recognizing the changing landscape of the fuel industry.

Alongside our support for the proposed amendment, we would offer this notice to a limitation included in the wording that may need revisited in the very near future. The proposed modification in 2.1.2 Gasoline and Gasoline Oxygenates Blends of Section 2.1 Uniform Engine Fuels, Petrolcum Products and Automotive Lubricants reads as follows:

2.1.2 Gasoline-Oxygenate Blends shall contain no more than 10 volume percent ethanol. For other oxygenates, blends shall contain no more than 2.0 mass percent oxygen except fuels containing aliphatic ethers and/or alcohols (excluding methanol) shall contain no more than 2.7 mass percent oxygen.

This language is true in that there is recognition for fuels approved by EPA through either the substantially similar or fuel waiver process. However, on March 6, 2009, a petition was made to the U.S. Environmental Protection Agency to permit the use of up to 15% volume ethanol content in gasoline. There have been many research projects focused on proving the suitable use of 15% ethanol blends for “gasoline only” engines and many research projects continue. We feel the data available today shows very positive evidence on the acceptable materials compatibility and fuel use of higher ethanol content blends. When EPA permits the increased ethanol content in gasoline, we believe it prudent of the National Conference on Weights and Measures to act swiftly to eliminate any barriers that may be in place restricting ethanol’s use such as the above referenced section.

The National Conference of Weights and Measures Fuel and Lubricants Subcommittee, of which we are both a member, met several times and spent many hours developing the proposed amendments. While recognizing there may still be concerns on the part of some stakeholders, we believe the wording is a balanced compromise. Finally, we would like to express our appreciation to all the petrolcum subcommittee members for the time they devoted to this effort. In particular, we applaud Ron Hayes and Randy Jennings for their leadership in guiding the diverse group of stakeholders through the consensus building process.

We believe the proposed modification represents a good compromise for all parties and primarily for consumers. Thank you again for the opportunity to provide comment.
Respectfully,

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