

House Bill No 2012

Testimony of David VanderGriend; CEO of ICM, Inc.

As we have various presenters discussing the benefits to agriculture, cattle feed lots, refineries, and consumers, I wanted to take this opportunity to highlight the significant value of adding another 5% ethanol to a gallon of gasoline.

When you visit a typical gas station, you will notice the numbers 87, 89, and 91 on the fuel select buttons. These numbers correspond to regular 87, mid-grade 89, and premium 91 octane fuel. Most vehicles run perfectly fine on regular 87, while some high-performance vehicles recommend or require premium 91 fuel. This number represents the octane of the fuel blend. The higher the octane of the fuel, the better the performance of the engine - mileage is usually better, and performance improves with higher octane.

Currently, 10% ethanol adds about 2.5 points to the octane rating of base gasoline. This allows the refineries to reduce the amount of toxic aromatics they add to their fuel to achieve the desired octane levels.

Throughout the state of Kansas regular fuel contains 10% ethanol, which has resulted in consumers paying less at the pump. For instance, Quik Trip stations in Wichita sell "No Ethanol Gas" at 50¢ higher than the regular fuel containing 10% ethanol. Why is this? Some of the difference lies in the added value of ethanol's octane content.

One of the key benefits of ethanol's octane content is the reduction of these toxic aromatics, (Toluene – Benzene – Xylene) which are no longer required to meet the octane standards. By adding an additional 5% ethanol, we can further reduce the higher-cost aromatics, leading to cost savings for refineries and improved air quality for everyone. Studies have shown that 10% ethanol reduces toxic tailpipe emissions by 20%, and 15% ethanol continues this trend with further reductions.

Our state is currently producing enough ethanol to increase the ethanol content in all the gasoline consumed in Kansas by an additional 5%. This surplus in ethanol production is a promising sign of sustainability, highlighting our dedication to renewable energy and environmental stewardship. By continuing to support and invest in ethanol blending, we can strengthen Kansas' position as a leader in renewable energy and contribute to a healthier environment for future generations.

Just as the state successfully supported the implementation of 10% ethanol blending with gasoline, there is now a chance to build on that success by accelerating the adoption of 15% ethanol blending statewide.

This initiative would provide a significant boost to our agriculture sector, the oil industry, and moreover consumers would enjoy lower fuel costs. On top of these benefits, the state would see an increase in tax revenue as the adoption of 15% ethanol blending progresses.

Thank you for considering this proposal. I look forward to discussing these points further and highlighting the advantages that increased ethanol content will bring to our fuel, our environment and our state.

Sincerely,



David VanderGriend
CEO, ICM, Inc.