

MOTOR MANDATES

QUICK STATS

- ✘ **CONFERENCE:** Regulation
- ✘ **TEAM:** Environmental Protection Agency
- **FUMBLE:** Requirement to blend biofuels into the gasoline supply
- **HOW TO RECOVER THE BALL:** Eliminate regulations that drive up gasoline prices and risk destroying car engines

The federal government requires Americans to put corn in their gas tanks. Originating in a 2005 law (and subsequent 2007 revision), the Renewable Fuel Standard (RFS) requires blenders (those who prepare the gasoline that goes into cars) to incorporate a congressionally specified volume of biofuels.⁴⁰⁶ Most of the mandate is met with ethanol derived from corn, although in the future much more of it is required to be met with fuels derived from feedstocks like straw and wood byproducts—a fuel that so far has failed to be made in volumes anyone can afford, anywhere near those required under the law.⁴⁰⁷

Beyond the not-so-minor detail that one of the required fuels does not exist in large enough quantities to meet the mandate, there are many other problems with the EPA-administered program that leads to higher prices at the pump. Prime among them is the constant threat of hitting the blend wall: motor engines, especially those in older cars, can only use gasoline with an ethanol content below ten percent or risk damage to the engine. If engine damage on a new or old car results from the use of a fuel with a higher ethanol content, the manufacturer may void the car's warranty by forcing consumers to cover the cost of repairs.⁴⁰⁸ Blenders are aware of this risk and have, until now, managed to keep ethanol content below ten percent. However, one of the ways they are able to do this is to purchase

compliance credits instead of meeting the requirement when meeting the mandate would cause them to breach the blend wall. As the mandated volume increases over the next seven years, compliance through credits will become more likely. Ultimately, what this may mean for American families is a higher price at the gas pump.⁴⁰⁹

The policy has not yielded great results for environmental protection either. Research has shown that corn ethanol is actually worse for air quality than gasoline, as it contributes to higher levels of ground ozone.⁴¹⁰ Coincidentally, EPA also sets limits for how high ozone levels may be. This means EPA is responsible for a regulation that increases a pollutant and then another to require a decrease of the same pollutant.

RECOVERY

The original intent of the RFS was admirable: to support American energy independence and protect the environment. Now, ten years later, foreign oil constitutes the lowest percentage of total American oil consumption since 1985 because of new American energy discoveries.⁴¹¹ It is time to do away with a mandate that fails to meet its goals while imposing higher consumer costs for families. Corn ethanol in small quantities is an acceptable fuel, but why artificially increase American use when it solves nothing?

[For more information, please visit:](#)

[U.S. Energy Information Administration: Frequently Asked Questions](#)

[CRS Report: Renewable Fuel Standard \(RFS\): Overview and Issues](#)

[CRS Report: Intermediate-Level Blends of Ethanol in Gasoline, and the Ethanol "Blend Wall"](#)

[Nature Geoscience: Reduction in Local Ozone Levels in Urban Sao Paulo due to a Shift from Ethanol to Gasoline Use](#)