

BetterFuels



A Clean Fuels Publication of the American Lung Association of the Upper Midwest
Illinois • Iowa • Minnesota • North Dakota • South Dakota • Wisconsin
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Energy Bill Offers Opportunities and Challenges in 2008

The 822-page Energy Independence and Security Act signed into law by President Bush in December 2007 included some strong provisions for biofuels, calling for the nation to produce 36 billion gallons of biofuels by the year 2022.

In addition to more biofuels, the legislation calls for a 40 percent increase in fuel efficiency for new cars and light trucks by 2020, for a fleetwide average of 35 miles per gallon, and a rating system which will determine how much greenhouse gases each vehicle model produces.

The new law also calls for a gradual transition from corn as the primary ethanol feedstock to cellulosic ethanol, which by 2022 would replace corn-based ethanol as the primary source of the cleaner-burning fuel.

The big question is how and when ethanol will be made from grasses, wood fibers, and other organic materials. While several cellulose processes have been devel-

oped, no commercial scale plants yet exist because it remains simpler and cheaper to use corn or sugar to make ethanol. A number of public and privately funded cellulosic test projects are currently underway in South Dakota, Iowa and elsewhere. Range Fuels is now building one of the nation's first commercial cellulosic ethanol facilities in Georgia, with an expected initial production capacity of 20 million gallons of ethanol per year from wood waste. At the Detroit Auto Show on January 13, GM and Coskata Energy announced a partnership to create cellulosic ethanol from a variety of feedstocks using a process expected to be remarkably environmentally friendly and efficient.

How the new federal law will eventually affect the fast growing biofuel industry and alternative fuel infrastructure in the upper Midwest is not yet known. However in the short-term, corn-based ethanol and soy biodiesel should continue to grow. Look for more in upcoming issues of *BetterFuels*.



Did you know?

The Energy Information Administration predicts OPEC nations will earn a record **\$850 billion** from crude oil exports in 2008.



Station sells one million gallons of E85

Congratulations! The Renew Station in Oshkosh, Wisconsin saved approximately 4,000 tons of CO₂ from entering our atmosphere by selling 1 million gallons of E85!

This Renew station has offered E85 since its opening on September 26, 2005. It took the station approximately 830 days to reach the one million mark!

Around the country...

'Show Me State' Shows Commitment To Biofuels

The Missouri Renewable Fuel Standard went into effect January 1, 2008. The statewide standard requires all gasoline outlets to sell E10 whenever the price is less than regular unleaded gasoline. More than half of the gasoline sold in the state was E10 before the new law went into effect. Missouri is the third state (after Minnesota and Hawaii) to require E10 statewide.

Governor Matt Blunt has also called for the state to adopt a five percent biodiesel blend (B5) requirement. This would make Missouri the second state to require biodiesel blends; Minnesota now requires all diesel sold to contain two percent biodiesel (B2). Missouri has six biodiesel plants now in operation.

The governor also introduced a \$2 million tax incentive program designed to increase the number of gas stations in Missouri that offer E85. The credits would help offset the cost of installing or modifying pumps to dispense E85 fuel. Blunt also has proposed a 20 cent per gallon tax break for consumers of E85 fuel.

Upcoming Events

- Iowa Renewable Fuels Summit**
January 31, 2008
Des Moines, IA • Polk County Convention Ctr
- 2008 Iowa Marketers' Expo**
February 4th & 5th, 2008
Des Moines, IA • Polk County Convention Ctr
- Midwest Ag Energy Network**
February 5th & 6th, 2008
Madison, WI • Monona Terrace Comm. Ctr
- Midwest Truck Show**
February 8th & 9th, 2008
Rock Island, IL • QCCA Expo Center
- E85 Conversion Kit Meeting**
February 13, 2008
Saint Paul, MN • ALA-MN
- ACEEE Forum on Energy Efficiency in Ag**
February 20th—22nd, 2008
Des Moines, IA • Embassy Suites Hotel
- Minnesota Air, Water & Waste Environ. Conf**
February 27th & 28th, 2008
Bloomington, MN • Sheraton Hotel
- KUMV TV Farm & Ranch Show**
March 11th-12th, 2008
Williston, ND • Raymond Community Center
- Wisconsin Renewable Energy Summit**
March 12th-14th, 2008
Milwaukee, WI • Midwest Airlines Center

New E85 Stations

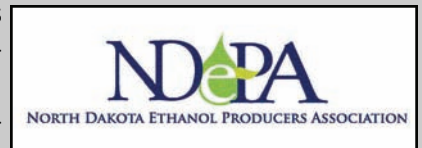
- Kum & Go**
1950 Princeton Drive, Grimes, IA
- Kum & Go**
2991 Sunset Drive, Norwalk, IA
- Shell Express Mart**
4804 Grandview Ave, Muscatine, IA
- Kum & Go**
600 State Hwy 4, Sherburn, MN
- Heidi's Market**
11850 62nd St NE, Albertville, MN
- Glenville Short Stop**
611 Hwy 65 S, Glenville, MN
- Little Duke's**
225 33rd St W, Hastings, MN
- Kwik Trip #454**
14730 Victor Hugo Blvd, Hugo, MN
- Sinclair**
13303 Bass Lake Rd, Maple Grove, MN
- Astrup Drug**
410 Hoffman Dr, Owatonna, MN
- Hyvee**
500 37th St NW, Rochester, MN
- Pine's Edge Grocery**
1490 110th St NW, Rice, MN
- Cenex of Thief River Falls**
3rd & Atlantic, Thief River Falls, MN
- Kwik Trip #487**
465 Village Walk Lane, Johnson Creek, WI



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Partner Spotlight: North Dakota Ethanol Producers

The North Dakota Ethanol Producers Association in Bismarck is the newest member of the North Dakota Clean Air Choice Team. Led by Randy Schneider, the group will work with the American Lung Association of North Dakota (ALA-ND) on efforts to expand E85 infrastructure and to raise public awareness about the cleaner-burning alternative fuel. ALA-ND is building a public-private partnership of organizations interested in expanding the production and use of biofuels in North Dakota, based on successful models in Minnesota and Iowa. If you are interested in working with the North Dakota Clean Air Choice Team, please contact Valerie Kummer at (701) 223-5613 or vkummer@lungnd.org.





GOP Goes Green In Twin Cities, Makes “Clean Air Choice”

The upcoming 2008 Republican National Convention taking place in Saint Paul, Minnesota has committed to becoming green and hopes that in doing so, fewer environmentally costly resources will be utilized. To aid in the greening of the convention, General Motors will provide more than 300 highly fuel efficient vehicles including flex-fuel and hybrid technology. GM recently announced similar plans for the 2008 Democratic National Convention in Denver.

Finding E85 to fill up those flex-fuel vehicles shouldn't be a problem in Saint Paul which has six E85 outlets open to the public, with many more stations in Minneapolis and in nearby suburbs. Minnesota has more E85 outlets (330+) than any other state, and Minnesotans bought more than 20 million gallons of cleaner-burning E85 in 2007.

General Motors is a member of the Minnesota and the Iowa Clean Air Choice Teams, and is one of the strongest advocates in the auto industry for increased use of biofuels.

Upper Midwest Legislative Preview

Illinois

This year, a new Illinois state law will begin funding a new research center at Southern Illinois University at Edwardsville to promote ethanol research and production. Also in the headlines recently was news that General Motors had invested in Coskata, a renewable energy start-up company based in Warrenville, IL, that plans to produce ethanol fuel from agricultural leftovers and municipal and industrial waste.

Iowa

The Iowa Corn Growers Association is reportedly backing several ethanol and E85 proposals for the upcoming session. The group seeks to increase the Renewable Fuels Infrastructure Board's cost-sharing program. That funding helps retail gas stations pay for E85 and biodiesel pumps. For more information on the available funding, visit the Iowa Department of Economic Development's website at: www.iowalifechanging.com

Minnesota

In August, Governor Tim Pawlenty announced his plan for the state to increase its biodiesel requirement incrementally from the current two percent (B2) to 20 percent (B20) biodiesel by 2015. It is possible a bill on this issue will be introduced during this brief bonding session, which will likely be dominated by transportation funding issues.

North Dakota

In the wake of a statewide diesel shortage in 2007, six state legislators and State Agriculture Commissioner Roger Johnson have formed a task force to explore whether North Dakota should open a state-owned oil refinery. North Dakota produces more than 100,000 barrels of oil every day, but has only one refinery, located near Mandan.

South Dakota

Governor Mike Rounds opened the 2008 legislative session with a pledge to purchase more state vehicles that run on E85 fuel and a promise to introduce a bill that encourages state use of “bio-based” products.

Wisconsin

Both houses are looking at a bill to set statewide minimum standards for renewable motor vehicle fuels, starting at 10 percent, up to 25 percent by 2025. Renewable fuels are defined as ethanol, biodiesel, hydrogen produced using wind power and any other fuel as designated by the Department of Agriculture, Trade and Consumer Protection (DATCP). The bills, SB 380 and AB 682 have been introduced in their respective houses and public hearings were held last week.



John DeRosa (left) of the American Lung Association of Illinois, helps a young biofuels enthusiast with the biofuels bag toss.

Bald Eagle Days draws 26,000 interested visitors

The Illinois Clean Air Choice Team participated in the two day event taking place in Rock Island, Illinois on January 12th and 13th that drew nearly 26,000 people interested in lessening their environmental footprint. The event featured the World Bird Sanctuary showcasing eagles, falcons, owls, and other birds, an Arctic Encounter telling the story of Arctic Wolves, an American Indian Culture exhibit, and information on renewable fuels.

The American Lung Association of Illinois (ALA-IL) was on hand to offer visitors information on the environmental and health benefits of E85 and biodiesel. In addition to providing valuable information on biofuels, ALA-IL staff invited the crowds to participate in the biofuels bag toss game and the renewable fuels quiz which caught the attention of many interested children and adults!



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BetterFuels is an official publication of the American Lung Association of the Upper Midwest's Clean Fuel and Vehicle Technologies Program.

For information regarding this publication, please contact Alison Chandler via email at: alison.chandler@alamn.org

Roxana School Buses Will Go 'Green and Clean' With \$67,923 EPA Grant

The American Lung Association of Illinois has been awarded a \$67,923 grant from the U.S. Environmental Protection Agency Region 5 for a project to reduce emissions from school buses in Madison County and the east metro region of the St. Louis suburbs. The grant will fund a project to install idling reduction equipment to 15 school buses in the Roxana School district.

The grant is part of the EPA's "Clean School Bus USA" program, which seeks to reduce air pollution generated by school buses and to lower children's exposure to the harmful particulates found in diesel exhaust. The devices also provide fuel savings to the district.

"The American Lung Association of Illinois is proud to participate in this program to clean our air and protect schoolchildren from the harmful effects of air pollution while they travel to and from school," said Harold Wimmer, CEO of the American Lung Association of the Upper Midwest. "We thank the EPA for this grant, and commend the work of the Midwest Clean Diesel Initiative, a public-private partnership to reduce diesel emissions in the Midwest."



"...clean our air and protect schoolchildren from the harmful effects of air pollution..."

-Harold Wimmer
CEO, American Lung Association of the Upper Midwest



Visit CleanAirChoice.org for more information about the Clean Air Choice™ Scholarships for high school seniors in Minnesota & South Dakota!

Application deadline: April 30, 2008!



490 Concordia Avenue
Saint Paul, Minnesota 55103

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