PROGRESS REPORT

UPDATED: 11/01/16

E15 Rapidly Moving Into the Marketplace

Today, there are **377 retail locations in 27 states** selling E15 usually between 3-10 cents below regular gasoline.

The vast majority of these locations are selling E15 along with E85 at blender pumps and making both available at nearly every dispensing location.

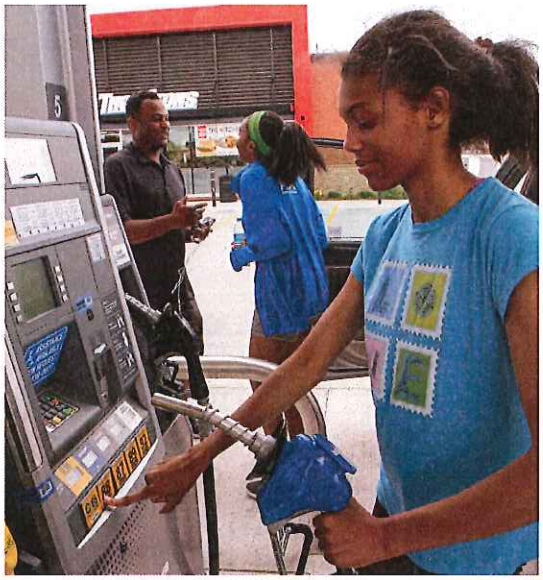
PARTNERSHIPS. Of the 377 E15 locations, 170 are partnered in the Biofuels Infrastructure Partnership (BIP) program with many more high volume retailers on the way.

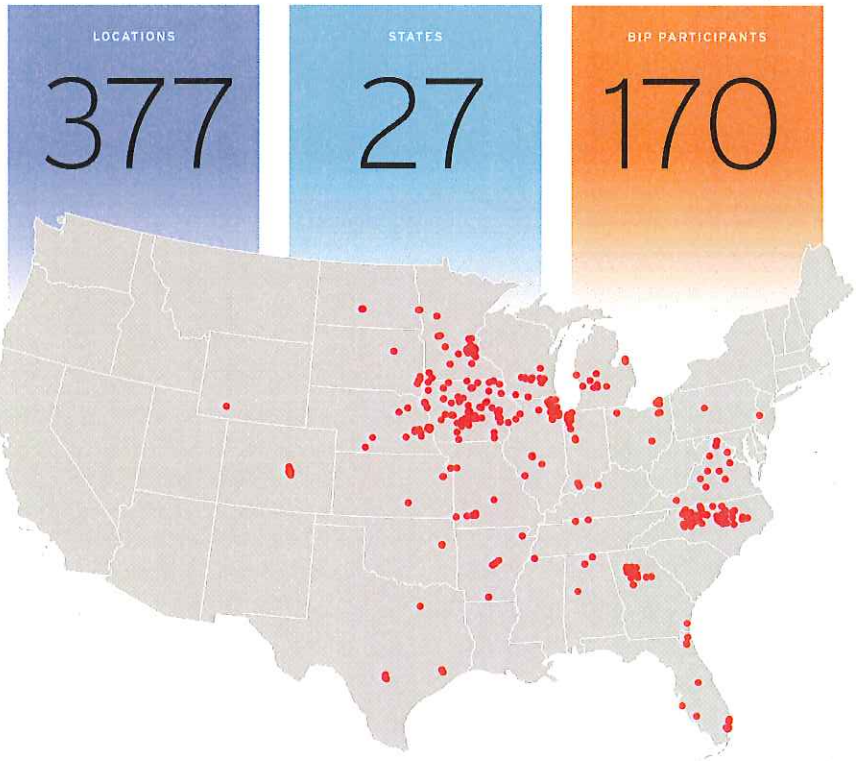
MOVERS. Major retailers selling or committed to selling E15 include: Sheetz, Kum and Go, Thorntons, RaceTrac, Minnoco, Murphy USA, MAPCO, Family Express, Cenex and Protec Fuels.

LOCATION. These retailers are not exclusively in the rural Midwest, many of these retailers are in major metropolitan areas: Houston, Chicago, Dallas, San Antonio, Charlotte, Atlanta, Louisville.

VOLUME. The average convenience store sells 1 million gallons of gasoline per year on average; while the bulk of the retailers involved in the Biofuels Infrastructure Partnership (BIP) program and industry-sponsored Prime the Pump program sell 2.8 million gallons per year on average – nearly 3 times as much volume as the traditional retailer.

BLEND. The retailer partners are seeing an average ethanol blend rate that easily exceeds 10 percent. These retailers have easily pushed beyond the so-called 10 percent blend wall.





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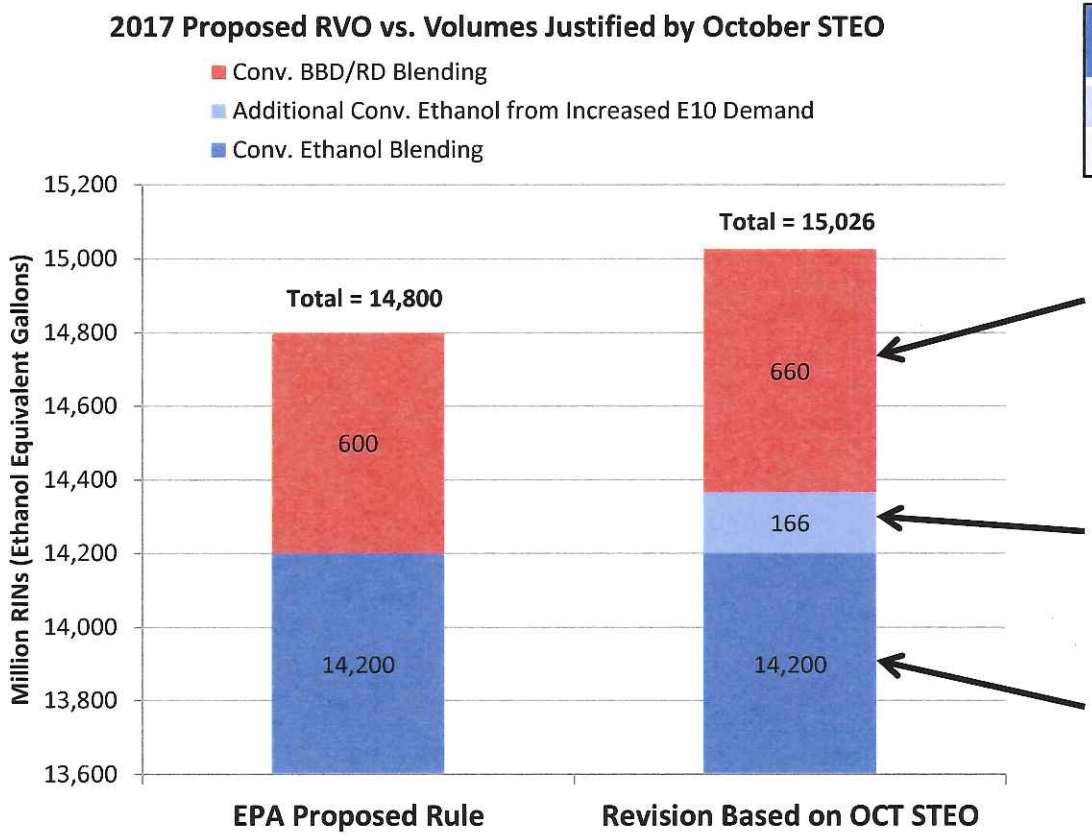
Expanding E10 consumption *alone* justifies an increase in the final conventional renewable fuel RVO to 15 billion gallons



(Billion Gallons)	April STEO	Oct. STEO	Delta
2017 Gasoline Consumption (BG)	**142.26**	**143.95**	**1.69**
E10 "Blend Wall" (BG)	**14.22**	**14.39**	**0.17**

EPA's proposal assumed 400 MG of conventional BBD and RD would generate 600 M D6 RINs, implying an average equivalency value of 1.5 RINs per gallon. In reality, the average equivalency value for conventional BBD and RD has been 1.65 RINs per gallon in both 2014 and 2015. Thus, 400 MG results in **660 M RINs**.

EIA's October STEO projection for 2017 gasoline consumption is **1.69 BG** above the April STEO projection that was used by EPA for the proposal. This results in at least **166 MG** of additional ethanol blending in E10.

Based on the April STEO, EPA's proposal assumed 14.2 BG of conventional ethanol would be blended in 2017 in E10, E15, and E85 blends (i.e., excludes advanced ethanol).