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Senator Boyle, Representative Welsh and distinguished Members of the Environment and Natural Resources Committee, my name is Pat Moody and I am the manager of public affairs for AAA Northern New England. On behalf of AAA Northern New England, which serves more than 370,000 members in the state of Maine, I am here to present AAA's position on ethanol additives to motor fuel.

AAA believes a national energy strategy should combine responsibly increasing fuel production, the efficient use of traditional and alternative fuels and the elimination of lengthy roadblocks in developing new sources of energy.

AAA supports the use of ethanol/gasoline fuel blends, provided the mixture has been proven safe and non-damaging to vehicles. Ethanol is a renewable, homegrown fuel alternative that can help advance energy independence. It can also be produced in large quantities and it needs less technology and infrastructure development compared to other alternative fuels.

Currently E10 exists in 95 percent of gasoline today with modern vehicles engineered to safely use it. While E15 only has slightly more ethanol in it and could help decrease pump prices depending on production costs and the market prices of ethanol and gasoline, it would also reduce fuel efficiency. As long as a "blending discount" (ethanol being cheaper than gasoline) exists, retail ethanol blended gasoline is likely to be cheaper than pure gasoline on a per-gallon basis. However, ethanol contains 34 percent less energy than pure gasoline and E15 can be expected to deliver fuel economy about 6.0 percent less than that of pure gasoline.

AAA has worked with the EPA throughout the regulatory process and still has concerns. As a result, we are continuing our efforts to educate consumers and encourage additional safeguards related to E15. The simple fact is that the threshold for adequate consumer education and protection has not been met by the EPA or the industry. This product is simply not yet ready for market.

A AAA survey last fall found that only 12 million out of the 240 million light-duty vehicles on the roads today are approved by manufacturers to use E15. Five manufacturers stated their warranties would not cover fuel-related claims caused by E15, and eight additional manufacturers stated that E15 did not comply with fuel requirements in owners' manuals and may void warranty coverage.

AAA's automotive engineering experts believe that sustained use of E15 could result in costly problems such as accelerated engine wear and failure, fuel-system damage and false "check engine" lights in some cars. An overwhelming 95 percent of consumers surveyed by AAA were not familiar with E15, indicating a strong likelihood of consumer confusion leading to misfueling.

AAA's focus is on protecting consumers. If the adoption of E15 is critical to meeting the Renewable Fuels Standard, AAA suggests that the parties involved do everything possible to educate motorists and work with automakers to ensure adequate consumer protections are in place. AAA supports increased uses of alternative fuels as long as it does not adversely impact consumers. E15 is entering the market even though adequate safeguards do not yet exist to prevent unintended misfueling and potential damage to vehicles.