E15 - E85
Labeling,
Dispensing
Regulations,
Guidelines and
Requirements

### E15 Label



### Use only in

- 2001 and newer passenger vehicles
- Flex-fuel vehicles

Don't use in other vehicles, boats or gasoline-powered equipment. It may cause damage and is *prohibited* by Federal law.

### EPA's E15 Decision

- March 6, 2009 waiver submitted to US EPA to increase the allowable ethanol content in gasoline up to 15% volume.
- EPA responded October 2010 and January 2011 with partial approval, denial and with conditions:
  - Approved for Vehicles MY2001 and newer, and all FFVs.
  - Denied for Vehicles MY2000 and older; off road engines.
  - Mandated "conditions" for offering E15 called the "Misfueling Mitigation" rule.
  - See:
     <a href="http://www.epa.gov/otaq/regs/fuels/additive/e">http://www.epa.gov/otaq/regs/fuels/additive/e</a>
     15/
- No retailer required to offer and no consumer required to purchase.



### E15 in the Marketplace

- First station opened in Lawrence,
   KS in July 2012.
- Now more than 100 stations in 15 states.
- Sales vary per location, typically average 20% of overall sales, some averaging closer to 40%.
- Overall sales are up meaning new customers, not just converts.
- Higher octane than E10, typically priced lower.
- 100+ million consumer miles, and counting!
- Now more vehicles warranted for E15 than E85 and premium.







### E15 in the Marketplace

### • Kansas Retailer:

- Interstate location sells more E15 and E85 than all of urban location.
- E15 sales are between 30-45% of his total volume, and E85 sales are between 15-20% (compared to just 5-12% for E85 in town).
- Reported that once they dropped the Phillips 66 brand a year ago that sales on the interstate didn't change, but they saw an 18% bump in sales in the urban areas with their new "American Fuels" brand.

### E15 in the Marketplace

- o Iowa Retailer:
  - Dropped branded supplier.
  - Added blender pumps, and offers E15, E30 & E85.
  - Now selling 7,000 more gallons per month than when branded.
  - Also, his fuel costs average \$.07/gal less for unbranded on his E10.

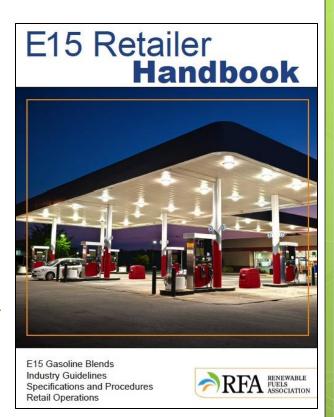
#### Federal Regulatory Requirements

- For Retailers:
  - Adopt RFA's Model Misfueling Mitigation Plan (MMP):
    - Template letters drafted.
    - Just need letterhead, station information and signature.
  - Sign-up with RFGSA for fuel survey.
  - Use E15 Label(s):
    - Available at no cost.



#### RFA's E15 Retailer Handbook

- Outlines regulatory requirements for E15:
  - Federal and state.
- Must be promoted for compliance with MMP.
- E15 Retail Advisory a new mandatory addendum.
- Available in hard copy or at: <u>www.EthanolRFA.org/E15RetaillerHandbook</u>





## EPA Regulating Dispenser Configuration

- EPA "concerned" over common hose configuration, precedent setting concern.
- E15 Retail Advisory developed to communicate the concerns.
- Three dispenser configurations approved, all others require EPA action:
  - 1. Dedicated hose for E15.
  - 2. E15/E10/E0 common hose:
    - 4-gallon minimum purchase, label required.
    - At least one fueling position w/o E15, remove 4-gallon minimum, alternate label used.
  - 3. E15/E15+ common, additional action required.
  - 4. Other Configurations, additional action required.

### EPA Regulating Dispensel Configuration

- Offering E15 from the same hose as E15+ blends is NOT APPROVED due to residual volumes post-E15+ customer.
- It is important that equipment be configured to offer another option:
  - Dedicated hose for E15.
  - Common hose with E10/E0 (two options approved).
  - Prove to EPA that hose residual is handled.
- Can sell E15 as "flex-fuel", but then only legal in flex-fuel vehicles!
- Could limit options at some dispensers to make legal.
- We are working w/ equipment manufacturers to avoid wrong equipment or configuration being ordered.

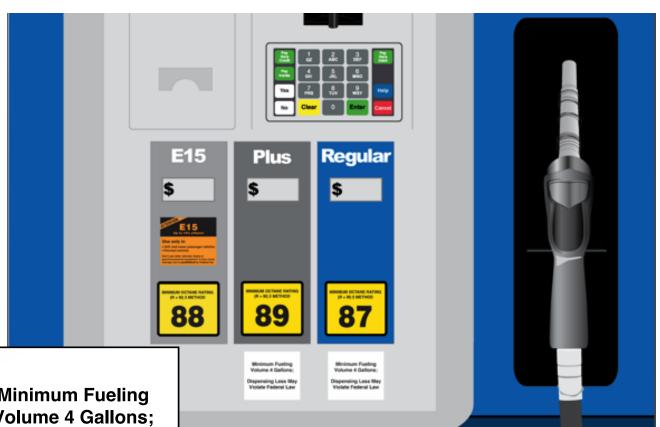
EPA Regulating Dispenses Configuration:

### Dedicated E15 Hose





## 4-gallon Minimum



**Minimum Fueling Volume 4 Gallons**;

**Dispensing Less May Violate Federal Law** 



Common Hose w/ Dedicated Fueling Position



# Passenger Vehicles Only.

Use in Other Vehicle
Engines & Equipment May
Violate Federal Law.



Position for Gasoline with up to 10% Ethanol



### Common Hose w/ Dedicated Fueling Position





# Passenger Vehicles Only.

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Position for Gasoline with up to 10% Ethanol



#### Summer Volatility Season

- EPA did not extend the 1 pound volatility waiver to E15, as it did for E10.
- E15 must meet the 9 pound RVP cap during the federally-regulated summer volatility season (June 1st – September 15th). States control the rest of the year.
- Only way this is possible is with low RVP gasoline, typically only found in RFG or SIP markets.
- Marketers/Retailers can use RFG gasoline and create E15 in RFG markets during this timeframe.
- Marketers/Retailers can ALSO repurpose RFG gasoline, and take it out of these markets and make E15. Number one problem is usually cost of this fuel.
- o Options w/o RFG fuel:
  - Sell to flex-fuel vehicles (FFVs) only.
  - Stop selling E15.
- RFA currently working on a fix!



### RFGSA Fuel Survey

- Not just for E15, for all fuel.
- Samples taken by RFGSA, reported to EPA.
- All stations nationwide subject to testing, regardless of products offered.
- Anything above 10.5% ethanol is now considered E15.
- The survey is checking the following:
  - Ethanol Content.
  - RVP for E15 (June 1st to September 15th).
  - Labeling (EPA E15 label & Octane label required).
  - Photos taken at sampling to record products offered.
- Unacceptable results from sampling & inspection can trigger a Possible Non-Compliance (PNC).
- Refusing to allow sampling will also trigger a PNC.



### PNC Requirements

- Every PNC requires a response to RFGSA/EPA.
- If registered with RFGSA, you will receive an email.
   Log into RFGSA website for more details on PNC and send response.
- If not registered, retailer will receive a phone call (2 attempts, then a letter is sent with instructions on how to respond to PNC- they get code and log in information).
- RFGSA website is the only place for response.
- Must respond within 24 hours. If no response is received, it gathers the attention of EPA and triggers another sampling.
- Repeat PNCs raise the attention of enforcement personnel.