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Pacific Ethanol, Inc.

**IN CASE YOU MISSED IT:  
Ethanol Is Part of The Solution, Not The Problem  
From the *Fresno Bee***

**By Bill Jones  
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Over the years, I've discussed many issues with The Sacramento Bee's Peter Schrag and have always enjoyed our debate of ideas, even when we've disagreed. However, when it comes to ethanol, Peter's commentary is relying on outdated and untruthful rhetoric and misinformation about ethanol.

Volumes of newer research and consensus among leading scientists clearly demonstrate ethanol production has a positive net energy balance, especially with today's innovative technologies. California's ethanol producers use state-of-the-art production practices, which reduce carbon dioxide emissions by 40% compared with conventional gasoline, according to the most recent UC Berkeley Low Carbon Fuel study. A 10% blend of ethanol added to gasoline decreases carbon monoxide, volatile organic compounds, toxic and particulate matter emissions across the board.

When it comes to climate change and air pollution, ethanol is part of the solution, not a part of the problem.

Here in the Valley, where air pollution is among the state's worst, the current blend of 6% ethanol that's added to gasoline has helped reduce emissions of carbon monoxide, hazardous air pollutants like benzene and greenhouse gases, and has reduced soot or particulate matter emissions by enabling gasoline to burn more efficiently.

A 10% blend of ethanol in gasoline just approved by the Air Resources Board will help the Valley move closer to achieving its federal Environmental Protection Agency emission reduction goals sooner and reduce the public health costs associated with air pollution and climate change. Going to 10% ethanol now will save lives, decrease asthma and reduce incidences of cancer.

In the Los Angeles Air Basin, where high levels of air pollution are legendary, the cleanest ozone years on record occurred from 2004 through 2006. It's not a coincidence that these air quality improvements were achieved when ethanol was introduced into California's gasoline in 2004 as a replacement for MTBE,

which was contaminating the water.

In fact, urban air-shed modeling, universally accepted as the most accurate way to predict fuel change impacts on smog formation, continues to project air quality improvements from ethanol-blended gasoline.

It's also important to note that California's ethanol producers have achieved unparalleled efficiencies in energy use, waste reduction, water use and transportation costs. These plants use clean-burning natural gas to produce ethanol that is considerably closer to its markets, thereby reducing transportation costs and environmental impacts.

Additionally, because many of the production facilities are near the largest concentration of dairy cows in the world, producers can ship their wet distillers grain, a byproduct of ethanol production and a highly nourishing livestock feed, quickly and cheaply to local dairies. This results in a more nutritious feedstock and less energy use compared with a typical Midwestern plant, which dries the distillers grains for shipping.

Government support for ethanol pales in comparison with what taxpayers spend on protecting the free flow of oil. The facts show that ethanol delivers a net gain for U.S. taxpayers. In 2006, the federal government spent just \$2.5 billion on ethanol tax credits and received more than \$9 billion in revenues and savings, including a \$6 billion reduction in farm bill subsidies. That's the power of supply and demand at work.

Using corn to produce ethanol does not compromise national or global food security. Price incentives and steady advances in technology are enabling farmers across the world to supply food, fuel and fiber markets. Investment in corn-based ethanol production is laying the groundwork for production of renewable fuels from agricultural wastes and other abundant materials. This will benefit America's rural farm economy today and in the future as our rural economies once again rise to the occasion of meeting our society's needs in terms of food, fuel and fiber.

Because it's produced here on U.S. soil from renewable resources, ethanol does help reduce our dependence on foreign oil. Recent estimates acknowledge that protecting our oil interests in the Middle East accounts for tens of billions of dollars a year in military and related costs and in 2005 the International Center for Technology Assessment put the number at \$113 billion. And the last time I checked, ethanol production facilities didn't require an armed military presence to protect America's energy supply.

The facts about the benefits of ethanol are clear: Ethanol is a cleaner burning, less expensive, renewable fuel that benefits the environment and economy and reduces our dependence on foreign oil.

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This opinion-editorial can be found at: <http://www.fresnobee.com/opinion/wo/story/113678.html>