

Iowa's Ethanol/E85 Talking Points

Iowa leads in corn production

- ? Iowa produced 2.4 bbu of corn in 2007, average yield 175 bu/acre
- ? In 07/08, 327 mbu of corn were fed in-state. In 08/09, projected in-state feed use is 290 mbu.
- ? In 07/08, Iowans used an estimated 1,066 thousand metric tons of DDG to feed livestock. DDG use expected to increase to 1,696 KMT in 08/09. (Assumes 30% ration for ruminants @ 1.2 feed value of corn; 15% ration for hogs @ 1.0; and 5% ration for poultry @ .5)
- ? The US produced 13.1 billion bushels of corn and has a current ethanol capacity of 9.4 billion gallons of ethanol.

Ethanol—Iowa's the leader!

- ? Iowa's ethanol industry can produce more than 2.2 billion gallons annually, using over 814 mbu of corn (almost 30% of the 2007 Iowa crop).
- ? Iowa has:
 - 4 wet mills = 445 million gallons
 - 24 dry mills = 1.52 billion gallons
 - 16 under construction/expansions = 1.25 billion gallons
- ? Combined production & construction/planning capacity = 3.25 billion gallons, using 1.2 bbu (50% of the 2007 crop).
- ? In 2007, Iowa produced a record 2 billion gallons using 740 mbu, a production increase of 36% over 2005.

Ethanol: using home-grown fuel in Iowa:

- ? Iowans bought over 1.2 billion gallons of ethanol blends last year (1,216,034,082 gal. in 2007 (1,212,613,525-E10 and 3,420,557 - E85).
- ? Ethanol's market share now = 78% of Iowa fuel
- ? Iowa E85 sales set monthly sales records this year.
 - 58% growth in sales from 2006 to 2007 (3,420,557 in 2007 vs. 1,975,359 in 2006)
 - 87 E85 pumps in Iowa now (55 in 2006).
 - 1 out of every 10 vehicles purchased in 2007 was a FFV
 - As of September of 2007 Iowa had approximately 95,000 FFV's on the roads

Food & Fuel - Corn Growers Can Do BOTH

- A study released by Merrel Lynch states that blending ethanol with gasoline gives you a 45 cent savings at the pump
- Kernals of Truth
 - 11 cents of corn can be found in your cereal
 - 28 cents of worth of corn can be found a dozen eggs
 - There's only 13 cents of corn in a gallon of milk
 - There are 18 cents of corn in a ¼ pound hamburger
 - 31 cents of corn can be found in an Iowa pork chop
 - Soda contains just 3.5 cents of corn in a liter

Contributors to food costs

- ? Labor = 38¢ of each dollar consumers spend on food
- ? Packaging, transportation, energy, advertising, profits = 24¢
- ? All food inputs = just 19¢

Ethanol: Good for the environment

- ? By using E85, an FFV driver reduced CO₂ emissions to the atmosphere by 4 tons.
- ? E85 use reduces ozone-forming pollution by 20%
- ? E85 reduced fuel life-cycle greenhouse gas emissions nearly 30%
- ? E85's lower pressure can help reduce evaporative emissions.
- ? Gasoline contains toxic compounds like benzene, toluene, and xylene. E85 use reduces the release of these chemicals into the environment.

Water use comparisons:

- ? It takes less water to produce a gallon of ethanol than a gallon of oil (3 gallons water to 1 gallon ethanol vs. 9 gallons water to 1 gallon of gasoline).
- ? A typical 40 million gallon ethanol plant uses about the same water per day as a standard 18 hole golf course.
- ? The U.S. ethanol industry needs 49 million gallons of water per day (based on 6 billion gallons of production) – less than $\frac{3}{10}$ of 1% of U.S. daily industrial water use.
- ? It takes 300 million gallons of water to produce a single day's supply of U.S. newsprint.

Ethanol: Good for energy independence

- ? Using home-grown ethanol reduces U.S. oil imports by 128,000 barrels each day.
- ? Each barrel of ethanol we produce displaces 1.2 barrels of petroleum.

Ethanol: Good for Iowa's economy

- ? Iowa's ethanol industry has resulted in more than 47,000 new jobs in Iowa, benefiting all employment sectors and especially benefiting rural communities.
- ? Ethanol production puts \$1.7 billion into Iowa consumers' pockets each year.

Ethanol: Good for your engine, good for your pocket book!

- ? A vehicle using regular unleaded gets about 20 miles per gallon of gas; extending the same amount of gas by blending it with E85, a flexible fuel vehicle can travel more than 100 miles.
- ? IndyCar drivers burn 100% ethanol in their engines traveling 220 miles per hour and can't say enough good about ethanol as a performance fuel.
- ? 60 cents of every dollar spent purchasing E85 stays in Iowa
- ? Ethanol blended gas saves the average family \$1,000/year

If you've heard it once you've heard it 10 times:

Ethanol is energy-efficient – when corn is processed into ethanol, there is a net energy gain of 67%. In other words, ethanol contains 67% **more** energy than it takes to produce!

Iowa Corn Markets = 2.4 billion bushels

35% - 863 mbu = Ethanol
24% - 565 mbu = Livestock sector
23% - 555 mbu = exported to other states or countries
16% - 367 mbu = corn oil, sweeteners and starches

U.S. Corn Markets = 13.1 billion bushels

55% - 6.2 bbu – livestock
17% - 3 bbu – ethanol
19% - 2.4 bbu – exports
5% - 1 bbu – starch, corn oil, sweeteners
3% - 328 mbu – flour, grits, meal, beverage alcohol

