



STATE OF MAINE
OFFICE OF THE GOVERNOR
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AUGUSTA, MAINE
04333-0001

Paul R. LePage

GOVERNOR

March 24, 2014

The Honorable Gina McCarthy
Administrator
United States Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator McCarthy:

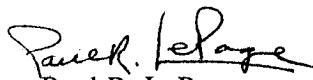
Our nation's ethanol policies have been adding costs to our gasoline and should be repealed. While this federal mandate should be eliminated by Congress, I encourage you to utilize your authority under the Clean Air Act to reduce the federal mandate, and ensure that the compliance costs with this policy do not spike and exacerbate the price of gasoline.

Since these policies were put in place in the Energy Policy Act of 2005, gasoline prices have increased, energy content of our fuel has gone down, and hundreds of Mainers have incurred costs to their snowmobiles and boats because of the failure of ethanol to work in these engines. While I strongly believe the federal government should scrap these policies and focus on actual research and development, I am alarmed by the potential additional economic costs associated with what has been described as the "blendwall," when federal mandates exceed what 10 percent ethanol (E10) can deliver through the current fuel delivery infrastructure. The federal mandates would create scarcity beyond what can be delivered safely through E10 and could lead to an artificially high cost for refineries to comply with federal law.

This situation could limit the supply of gasoline for U.S. consumption and result in severe economic harm to consumers and the overall economy. EPA has the authority under the Clean Air Act to waive down the volumes required to be blended in 2014, and we encourage these amounts to be decreased in 2015 as well. I strongly urge EPA to avoid the blendwall and the corresponding negative economic consequences by reducing ethanol volumes requirements to a level that could be delivered with E10.

Thank you for your consideration.

Sincerely,


Paul R. LePage
Governor



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