

# **Division of Consumer Equitability**

## **Informational Report: Motor Vehicle Fuels and Consideration of E15 as an approved Motor Vehicle Fuel in Nevada**

**December 4, 2019**



# Presentation Overview

- **History of use of ethanol as a fuel in the US**
- **Review current Nevada standards pertaining to ethanol**
- **Update on recent federal regulatory actions regarding ethanol**
- **Inform Board of Agriculture about NDA actions to-date regarding E15**
- **Provide Board of Agriculture with current timeline for potential action item regarding E15 in Nevada**

# History of Ethanol use in US

**Ethanol is a renewable, domestically produced alcohol fuel made from plant material, such as corn, sugar cane or grasses.**

- Used in engines dating to 1826, and in early motor vehicle engines, such as the Model T
- First blended into gasoline as an octane enhancer in 1920s
- Modern US fuel ethanol industry began in 1970s
  - Alternative to lead and MTBE as an octane enhancer
- 1980s and 90s saw increased use as part of efforts to control carbon monoxide emissions
  - Clean Air Act Amendments of 1990
- 2005 Renewable Fuels Standard (RFS) and 2007 Energy Independence and Security Act (EISA)
- Ethanol Flex Fuels (E85)

# History of Ethanol use in US

- **The E10 “Blend Wall”**
- **2011 Clean Air Act partial waivers**
  - Approved use of E15, under certain conditions, in model year 2001 and newer passenger cars, trucks, SUVs and all Flex-Fuel vehicles

# Ethanol in Nevada

- **US EPA Wintertime Oxygenation Program – Clark and Washoe Counties (1992)**
- **NAC 590.065 codifies an allowable maximum of 10 percent ethanol in conventional gasoline sold in Nevada (1996)**
- **2017 request from Murphy Oil company that the Board of Agriculture amend NAC 590 to allow for the sale of E15 in Nevada**

# E15 - Current Events

- **May 2019 EPA ruling allowing for year-round sale of E15 in nearly all markets for those vehicles included in 2011 Clean Air Act waivers**
- **NCWM approval of amendment to *NIST Handbook 130: Uniform Laws and Regulations in the areas of Legal Metrology and Fuel Quality* to reflect May EPA ruling**
  - Effective January 1, 2020
  - Nevada does not adopt this section of Handbook 130
- **August 2019 EPA proposal for additional Clean Air Act amendments, including rescinding authority granted to California under the 1970 Clean Air Act to set its own higher emissions standards. Current regulations allow for other states to chose to adopt California emissions standards without EPA approval.**

# E15 - Issues to be Considered

- **Proper labelling**
- **Potential for misfuelling**
- **Vehicle warranty implications**
- **Ability of retailers to retrofit station equipment, including underground storage tanks**

# E15 in Nevada – Next Steps

- **Consider additional E15-related items currently pending before NCWM**
- **Consider potential for development of ASTM standards related to E15**
- **Monitor Pending Litigation**
- **Engage stakeholders - Agreement and Acceptance**
- **Expected timeline to present recommendation to Board of Agriculture**
  - 12 to 24 months