

## How to Increase Biofuels Use in California

*Nearly 1 Billion Gallons of Ethanol Are Now Used in California. More than 900 million gallons of ethanol were used in California gasoline last year, about 25 percent of all the ethanol used in the U.S. That makes Californians the biggest group of consumers of ethanol in the country.*

*And the country will use a lot more ethanol in the future. The federal Renewable Fuels Act requires the use of 4.5 billion gallons of biofuels this year throughout the U.S. That's as much biofuels as Brazil's estimated 2006 production. By 2012, the U.S. renewable fuel requirement increases to 7.5 billion gallons.*

### The Right and Wrong Ways to Encourage Alternative Fuels

*The right way* is to let the market decide where, when and how much biofuels to use. We need to make sure there is enough alternative fuel available to serve the market that it is affordable, and that the infrastructure exists to get that fuel to consumers. We also need to make sure the fuels are safe, quality standards exist to protect consumers and consumers are prepared to accept these fuels.

The best way to do that is to follow the lead of Governor Schwarzenegger. The California Energy Commission and the California Air Resources Board should be allowed to complete their ongoing study of the production and use of biofuels and alternative fuels, in a balanced, scientifically sound and thorough manner.

California also should support research into the promising field of cellulosic-based ethanol, a likely key to expanding California's in-state production of biofuels. A healthy collaboration of public and private sector experts should be formed to ensure that state policy is focused on the most cost-effective and technically feasible alternatives.

*The wrong way* is to impose government mandates including legislation which attempts to impose use requirements well before the research has been conducted and the critical questions about biofuels have been answered.

These kinds of mandates almost always cost consumers more. Mandates invariably attempt to force consumers to buy products they may not be familiar with or want, regardless of price. Typically, mandates require production targets when there are inadequate supplies and production facilities to meet those targets.

### Not All Biofuels are Better Fuels

There is a real potential for consumer backlash if biofuels are mandated before consumers are prepared for them. For example, E-85 has about 30 percent less energy content than gasoline. That means cars that use it will realize significantly lower fuel economy, which impacts the total costs to consumers.

Mandates also overlook the potential for environmental risks associated with some biofuels. No comprehensive environmental impact review has been performed on the environmental and health issues related to increased production and use of biofuels in California. For example, meeting biofuels mandates could require shifting large amounts of agricultural production away from food. This shift also could tax California's already scarce water supplies. And, because biofuels such as ethanol can increase smogforming and toxic emissions, their widespread use could negatively impact air quality throughout the state.

### Let's Look Closely Before We Leap

*As California continues to lead the way in exploring the use of alternative and renewable fuels, we must make sure we are guided by the principles of sound science, cost-effectiveness and technical feasibility. Imposing mandates that overlook or ignore those principles could create more harm than good.*

