

Alliance for Automotive Innovation

Comments on Notice of Proposed Rulemaking: E15 Fuel Dispenser Labeling and Compatibility with Underground Storage Tanks

Docket ID No. EPA-HQ-OAR-2020-0448

April 19, 2021

The Alliance for Automotive Innovation (Auto Innovators)¹ hereby submits comment on the U.S. Environmental Protection Agency's (EPA's) Notice of Proposed Rulemaking for E15 Fuel Dispenser Labeling and Compatibility with Underground Storage Tanks ("NPRM").

Introduction & Background

Over the past decade, EPA has taken action to approve E15 fuel in model years 2001 and newer vehicles and to waive the 1 psi RVP requirement for fuel blends up to 15 percent ethanol, which has led to the allowance of year-round sales of E15.

- 2010: EPA approved a partial grant and partial denial of the Clean Air Act Waiver submitted by Growth Energy to increase the allowable ethanol content of gasoline to 15 percent for Model Year 2007 and newer vehicles.²
- 2011: EPA approved a partial grant of the Clean Air Act Waiver application submitted by Growth Energy to increase the allowable ethanol content of gasoline to 15 percent for Model Year 2001 and newer vehicles.³
- 2019: EPA issued a final rule to extend the summertime 1 psi RVP waiver to gasoline blends up to 15 percent ethanol.⁴

¹ Formed in 2020, the Alliance for Automotive Innovation is the singular, authoritative and respected voice of the automotive industry. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents the manufacturers producing nearly 99 percent of cars and light trucks sold in the U.S. The organization, a combination of the Association of Global Automakers and the Alliance of Automobile Manufacturers, is directly involved in regulatory and policy matters impacting the light-duty vehicle market across the country. Members include motor vehicle manufacturers, original equipment suppliers, technology and other automotive-related companies and trade associations. The Alliance for Automotive Innovation is headquartered in Washington, DC, with offices in Detroit, MI and Sacramento, CA. For more information, visit our website http://www.autosinnovate.org.

² 75 Fed. Reg. 68,094 (Nov. 4, 2010).

³ 76 Fed. Reg. 4662 (Jan. 26, 2011).

⁴ 84 Fed. Reg. 26,980 (June 10, 2019).

EPA also requires a label to be placed on the E15 pump in such a way as to inform the customer of the fuel that is being sold for use in their vehicle:

Any retailer or wholesale purchaser-consumer who sells, dispenses, or offers for sale or dispensing E15 shall affix the following conspicuous and legible label to the fuel dispenser... The label shall be placed on the upper two-thirds of each fuel dispenser where the consumer will see the label when selecting a fuel to purchase. For dispensers with one nozzle, the label shall be placed above the button or other control used for selecting E15, or in any other manner which clearly indicates which control is used to select E15. For dispensers with multiple nozzles, the label shall be placed in the location that is most likely to be seen by the consumer at the time of selection of E15.⁵



Figure 1 Current E15 Pump Label

E15 Labeling State of Play

EPA has clear requirements for label details and placement; however, E15 labeling is inconsistent across the U.S. Through a Coordinating Research Council (CRC) project⁶ of the Alliance for Automotive Innovation North American Fuel Survey,⁷ it became apparent that the location and details of E15 pumps can cause confusion for consumers. For instance, fuel descriptions identified in the CRC study varied: *Unleaded 88, E15, Unleaded E15, eblend, E-15, Plus, and Unleaded Plus.* In addition to the various descriptions observed, the label placement was also inconsistent from near or on the dispenser actuator button, to near the dispenser handle. Improvements can certainly be made to provide clear and direct communication with consumers.

⁵ 40 C.F.R. § 80.1501.

⁶ http://crcao.org/wp-content/uploads/2020/04/CRC-Report-No.-674.pdf.

⁷ <u>https://www.autosinnovate.org/initiatives/energy-and-environment/fuel-publications.</u>

Oppose Recommended Label Modifications

In the NPRM, EPA proposes several modifications to the existing label. Auto Innovators <u>does</u> <u>not support</u> the following proposed modifications:

- Removal of "Attention" stripe from along the upper right corner.
 - It is critical that customers give appropriate attention to the fuel that is being used in their vehicles.
- Removal of "E15" from the label, but still include "contains up to 15% ethanol".
 - As customers have a level of understanding of E15, it is important to keep both items on the label.
- Revision of "Use only in" to "Safe for use in".
 - This modification is not comprehensive, and leaves "safe" as open to interpretation.
- Revision of "Don't use in" to "Avoid use in".
 - The label should be explicit that E15 should not be used in other vehicles, boats, etc.
- Revision of the format of "prohibited" so that it is not in bold and italicized type.
 - It is important that the customer is aware that E15 is prohibited by federal law.

While Auto Innovators appreciates EPA's desire to improve the current label, we feel that the recommended modifications are directionally incorrect and will cause confusion among consumers.

Recommended Modifications

Labeling is a fundamental and familiar method to inform customers about, and protect vehicles from, inappropriate fuels. Well-designed pump labels should inform consumers about the type and quality of fuel they are buying and enable them to determine whether the fuel offered matches the vehicle manufacturer's recommendations, which are provided in the owner's manual.

In addition to opposing the proposed changes in the NPRM, Auto Innovators offers two suggestions to improve the current E15 label:

- 1. Add "Check Vehicle Owner's Manual for manufacturer recommendations". Not all vehicles are designed to operate on E15; therefore, it is critical that customers check their manufacturer recommendations prior to fueling with E15.
- 2. Add "All" in front of Flex-fuel Vehicles in current label. Flex-fueled vehicles are capable of operating on higher blends of ethanol; therefore, all flex-fueled vehicles are E15 capable.

Consistent labeling

In the NPRM, EPA also requests comments if states should be preempted from using different pump labels. As we have stated in these comments, consistent labeling is necessary to avoid customer confusion. State-specific labels will result in uncertainty for consumers at the time of refueling. Therefore, we encourage EPA to reject state-specific E15 pump labels.

Conclusion

Auto Innovators appreciates the opportunity to provide feedback on the proposed modifications to the E15 label. It is critical that labeling be clear and specific so that customers can make an educated decision as to what fuel is appropriate for their vehicle. As such, we request that EPA reject the proposed modifications highlighted in these comments as they do not add clarity to the label. Because fuel requirements can vary by product, Auto Innovators recommends the label be modified to require a statement to check vehicle owner's manuals for recommended fuel.

Should EPA pursue removal of the label altogether, we recommend that EPA request an interagency review with the Federal Trade Commission to ensure that the reduced labeling would not act to confuse consumers at the point of fuel sale by providing less information.

If you have any questions on these comments, please contact Dan Bowerson, Senior Director of Energy & Environment at the Alliance for Automotive Innovation, 248-357-4717.