

Importance of the RFS



In December 2007, the Energy Independence and Security Act was passed by Congress and signed into law. Included in this historic bill is an expanded Renewable Fuels Standard, which requires 36 billion gallons of renewable fuel to be blended into the nation's fuel supply by 2022. There is also an allowance for 15 billion gallons of corn-based ethanol by 2015. The Energy Independence and Security Act of 2007 builds on the progress made by the 2005 Energy Policy Act, the first comprehensive energy legislation the nation has seen in more than a decade.



Ethanol producers and corn growers receive greater market certainty with the establishment of the expanded RFS. The 36 billion-gallon RFS advances the use of domestically produced renewable fuels, encourages new technologies, brings much needed jobs to rural America and enhances U.S. energy independence. A broad coalition of stakeholders, including ethanol and agricultural organizations, environmentalists, oil companies and state air officials, supported the bill.

Corn growers play a pivotal role in advancing the renewable fuels industry. Farmers continue to be a reliable supplier of feed, food, fiber and fuel for the United States and the world marketplace.

The Importance of the RFS to Every American

- Rural employment and income have risen as ethanol production expands under the RFS. In 2012, over 87,000 American jobs were supported that are directly employed by the production of ethanol. Many of these are in local ethanol plants in rural America.
- The RFS provides a stable demand for the use of ethanol, while reducing the nation's dependence on foreign oil. In 2012, 13.3 billion gallons of American ethanol displaced the need for 465 million barrels of foreign oil. That alone is valued at over \$47 billion.
- American ethanol added more than \$43 billion to the national Gross Domestic Product in the past year. In addition, the ethanol industry reduced gas prices by an average of \$1.09 cents per gallon. That decreases a household's gasoline bill by roughly \$1,200.