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**ENERGY OFFICE/STATE OF NEBRASKA AWARDED \$2.85 MILLION
FOR BIOFUELS INFRASTRUCTURE PARTNERSHIP**
Grant Will be Used to Install 80 Flex Fuel Pumps Across Nebraska

LINCOLN – The Nebraska Energy Office (NEO) has been awarded \$2.85 million to establish a public-private partnership with the Nebraska Corn Board (Corn Board), Nebraska Ethanol Board (Ethanol Board) and Nebraska Department of Agriculture (NDA) to add 80 new blender pumps across the state of Nebraska, allowing greater access to ethanol for Nebraskans and out of state visitors.

The Biofuel Infrastructure Partnership (BIP) grant, which requires a dollar to dollar match from the state, private industry and foundations, is being awarded by the US Department of Agriculture (USDA) to increase the consumption of ethanol through more access to flex fuel pumps. A portion of the matching funds will come from Legislative Bill 581 (LB 581) passed by the Nebraska Unicameral last session, which allows for some ethanol infrastructure. Additional funding will come from the Corn Board, which has been operating the “Blend Your Own” program since 2011; a program aimed at increasing access to flex fuel pumps across Nebraska. Funding also will come from the Ethanol Board and “Prime the Pump;” a non-profit organized to improve ethanol infrastructure. NEO is also pursuing matching funds from Nebraska Ethanol Producers, some of whom have confirmed they will provide funding and others who have indicated they plan to support, which will bring the total of the grant and the private and public matching sources to over \$6 million.

A key private supporter of the Nebraska grant application is Kum & Go, a Midwestern convenience store chain, which assisted us with the development of the grant application. Kum & Go began introducing E-15 earlier this year, and plans to use the BIP grant award to expand E-15 and E-85 offerings in Nebraska. They are the nation’s leading E-85 retailer and carry E-85 at seven stores in the Omaha area.

“We at Kum & Go felt it was important to help with the development of this grant application to support our commitment to providing expanded higher ethanol blends to customers in Nebraska,” said Jim Pirolli, Vice President of Fuels for Kum & Go. “Since Nebraska is the second largest producer of ethanol, we believe that this will also be a boost to Nebraska’s economy which is good for all Nebraskans.”

Approximately \$100 million will be awarded to 21 states, including Nebraska. The amount of the award and number of blender pumps was based on population.

“Overall, this entire grant opportunity benefits Nebraska because we rank second for production of ethanol,” said David Bracht, Director of the Nebraska Energy Office. “Nebraska produces around 2 billion gallons of ethanol a year, and our state consumes over 114.6 million gallons of motor gasoline fuels meaning we are able to sell a Nebraska made product to other states creating economic development/prosperity for the state.”

The grant required prioritization of areas with potential for significant increases in ethanol usage. In order to increase ethanol usage and maximize the impact of the 80 blender pumps, the partnership will focus their collaborative efforts on a two-prong approach:

- Increasing access to Nebraska’s high population centers including Omaha, Lincoln and Grand Island
- Identifying key interchanges along the interstate 80 (I-80) corridor to capture the 7.7 million cars that travel through the state each year.

“The blender pumps allow greater access to higher blends of ethanol from E15 to E85,” said Bracht. “There are nearly 200,000 flex fuel vehicles in Nebraska that allow higher uses of ethanol which produces less tailpipe carbon emissions by as much as 30 percent.”

With a blender pump, drivers are able to pick the blend of ethanol they would like. Generally E15, E30 and E85 are available. Many of the flex fuel vehicles are identified by a yellow gas tank cap or badge on the rear of the vehicle. Vehicle owners should always check their manuals to make sure their vehicle is warranted to run on the higher ethanol blends.

In addition to the flex fuel vehicles that can use higher ethanol blends, E15 has been approved for use in most vehicles model year (MY) 2011 and newer by the Environmental Protection Agency (EPA). In fact, an analysis by the Renewable Fuels Association* (RFA) of MY 2015 warranty statements and owner’s manuals, that approximately two-thirds of new vehicles are explicitly approved to use E15. This includes all MY 2015 vehicles of General Motors, Ford, Honda, Acura and Toyota. Audi, Jaquar, Land Rover, Porsche and Volkswagen also expressly approved the use of E15 in their 2015 models.

Some auto manufacturers, such as General Motors, have been approving the use of E15 in their vehicles for many years and vehicle owners are encouraged to check their owner’s manuals for verification.

“General Motors has approved the use of E15 in their vehicles for four years now, and Ford has approved it for three years in a row,” Bracht added. “That accounts for roughly one-third of auto sales in the United States.”

A grant process will be developed by NEO and partners for retailers to apply for the funding that will be used for the blender pumps and fuel tanks. Money from the grant and matching funds will also be used for education and marketing to increase the awareness of the benefits of ethanol, and what vehicles can use the higher blends.

This collaboration reflects Governor Pete Rickett’s mission to *Grow Nebraska* with employment and economic development through a variety of areas highlighting Nebraska’s best resources. It also will further NEO’s mission to “promote the efficient, economic and environmentally responsible use of energy.

The Nebraska Energy Office was created in 1977 to promote the efficient, economic and environmentally responsible use of energy. It is an authoritative voice and comprehensive resource center for energy issues in the State of Nebraska. In addition, the energy office plays an important role in fostering new growth in our renewable energy industry and helping Nebraska lead the way in the new clean energy economy. For more information, please visit www.neo.ne.gov.