

**SD farmers union leads a coalition of the willing** to create state and county policies that assure the average ethanol content of gasoline sold in in SD profitably increases from 12% to a minimum of 30% before 2023: This SD Farmers Union led coalition supports state policy enabling appropriate use of the SD one cent/gal pipe line tax to also fund the needed, timely creation of a statewide blender pump infrastructure: **And most importantly fund an informative SD campaign to crush Epa/big government propaganda claiming that E30 is illegal for and may damage standard auto engines.** In fact historically for 20+ years SD standard auto owners using E30/ half E85 report more power and

“can’t tell any difference in mpg”: Results confirmed by recent research and retailers marketing E30 to E50 have reported 0 complaints.

**An important note:** The genius of using a SD petroleum pipeline tax to incent funding for construction of SD ethanol plants encouraged young Jeff Broin to purchase the bankrupt Scotland plant and he then used expertise gained and his hard earned equity to famously lead the explosion of construction of 40-100 mg dry mill ethanol plants across the Midwest. This one cent/gal pipeline tax will continue to play a major role creating higher midlevel ethanol blends’ octane as the available, safe, strong competitor to petroleum’s prohibitively

expensive and poisonous benzene related ‘aromatic structured’ octane:

That competition has kept and will keep gasoline prices in check many times over the one cent/ gallon pipeline tax SD petroleum consumers pay. Historically and on into the future a huge collateral benefit is billions are added to the SD economy by continuing pipeline tax funded incentives to build new plants and also creating new incentives for current plants to aggressively expand.. Remarkably this simple one cent pipeline tax can continue the SD economy’s miraculous growth out of buffalo commons because its contributions are causing octane markets to finally operate on free enterprise principles.

## **EPA AGENTS RAID WATERTOWN BLENDER PUMPS**

### **Epa has never fined anyone for using or selling E30**

Early after blenders were installed, an Epa government agent enforcement crew announced in an almost threatening manner they were going to Watertown’s Cenex location adjacent to the interstate. This station is the symbolic nation’s first, longest operating, always busy, multiple blender pump location.

These government agents wore boldly visible IRS or Epa badges as they strode out to tell non-flex auto owners they were illegally saving \$2-4/tank fueling their auto with 94 octane premium E30.

Their bullying tactics did not work. No woman or man

was intimidated, kept on fueling and some very aggressively intimidated the government agents. This cross section of Americans were definitely made of the ‘right stuff’.

The manager’s (Gary French) description of this 2007 bizarre day to me (Orrie Swayze) was spoken in his usual unshaken manner and always with a slight grin: “First they were very indignant with a threatening: -We will be back next week-, by noon it was -in two weeks- and by evening it was -maybe we will not come back-”. They never

came back because they knew it is not illegal to fuel a non-flex auto with E30.

Epa’s enforcement team did not take action against anyone as a result of that trip to Watertown. In fact they have never fined anyone for selling E30 to a non-flex auto owner or a standard auto owner for fueling with E30. Epa knows such fines would definitely be a violation of standard auto owners constitutional right to choose e30/ half E85 to protect their children from gasoline’s toxic emissions.



# SOUTH DAKOTA ETHANOL POLICY GENIUS



**SD Governor Bill Janklow**

Senator Frerichs looked to further capitalize on the genius of our incredibly successful ethanol policy taxing imported petroleum one cent/gallon at the pipeline to fund incentives to build a strong SD ethanol industry. His SB 210 used a million dollars of those remaining funds to build SD blender pump infrastructure surprisingly was defeated in committee. It would have enabled all SD auto owners to save another thirty cents/gallon by purchasing basically volatility neutral E30's 94 octane, more power, lower maintenance costs and same mileage, safer premium E30: Along with twenty cents/gallon saved purchasing E10 vs ethanol free regular the grand total at today's prices would be fifty cents/gallon. Or potential \$150 million saved annually by SD auto owners based on 300 mg annual road taxed gasoline use. The good news is promising discussions continue.

Genius ethanol policy considering it was created in 1984 at a low point when the SD economy was referred to as buffalo commons. Imported oil pricing had complete charge of SD's agricultural economy and the oil embargo was fresh on everyone's mind. Farm economies were especially at the mercy of imported oil prices and agriculture had no plan to relieve its predicament of ever lower grain vs imported oil prices, ever increasing interest rates and declining land values.

Revolutionary change started when House minority leader Kent Frerichs asked me to invite and

bring SD native Dave Hallberg, founder and CEO of the Renewable Fuels Assn, to Pierre to testify before a legislative committee set to abandon ethanol incentives: Dave's testimony shocked all as he offered SD can build a huge SD ethanol industry whose benefits to SD are only limited by the sky and all we had to do was restrict current ethanol incentives to SD produced ethanol.

Intrigued with the possibilities the committee set in motion process to form a legislative summer study committee to write such a law. Governor Janklow was the citizen most intrigued with the possibilities that he called me at home early after the legislative session and invited me to Pierre to discuss what Hallberg had told the committee. He knew Dave was then Representative Daschle's ethanol consultant and recognized his credibility.

Interestingly, he then invited me to his office before nearly every summer study committee meeting because he wanted to know what Dave was going to say in his regular telephone conversation with the committee before every meeting. Jim Myers DOT head also was always in the office self-righteously ranting ethanol evils as he did at every committee meeting. Janklow was a fair referee as I aggressively offered reality type comments.

Is all this a miracle? When I left Janklow's office the first time he said "You and your crowd make your case to me and I will be with you". He was with us all along but enthusiastically made sure our proposed one cent pipeline tax detail was vigorously vetted. He ruled all unused dollars go back to DOT preventing petroleum consumer dollars being diverted to unrelated projects. On passage young 20 year old Jeff Broin was first to take notice and purchased the bankrupt Scotland plant to

famously lead the explosion building the Midwest's many 40-100mg dry mill ethanol plants: Production that lowered gasoline and diesel prices many times over for those paying the penny/gallon pipeline tax. Collateral benefits are billions added to the SD economy.

The pipeline tax can do it again when reinstated to also expand current plant production and include funding to educate citizens about ethanol's engine performance benefits. All is possible when SD corn recognizes the folly of abandoning the founding board's position to join other corn boards, Governors, Growth energy, Ace, Renewable Fuels Association, Epa, big government etc:

Together they naively partner with big oil parroting what the Sutton for Governor campaign describes as fake news: "Fueling standard autos with E30 is illegal" creating the perceived ethanol blend wall that plunders rural America's assets today. SD corn can lead by again being the enlightened, credible lone corn voice asserting a daily provable reality that will crush this perceived blend wall: "Standard auto owners have an unenumerated ninth amendment protected self-evident constitutional right to choose cheaper, more power, same mpg, safer, 94 octane premium E30: Because ethanol doesn't produce and its added oxygen aggressively combusts gasoline's toxic emissions identical to those found cigarette smoke."-case closed-

Orrie Swayze Wilmot, SD— member VFW,VVA, SD Farmers Union founding and current E30/half E85 action team chairman, founding board Ace, ProGold, founding vice then president of both SD Corn Growers and Utilization Council

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