

OFFICE OF THE GOVERNOR

RICK PERRY GOVERNOR

August 24, 2012

The Honorable Lisa P. Jackson Administrator U.S. Environmental Protection Agency 1200 Pennsylvania Avenue, NW Washington, D.C. 20460

Dear Administrator Jackson:

In 2008, I requested a partial waiver of the Renewable Fuel Standard (RFS) mandate for ethanol derived from grain, citing the negative economic affects the mandate has on Texas producers, consumers and commuters. Today, I am writing in support of the recent "Petition for Waiver or Partial Waiver of Applicable Volume of Renewable Fuel" by fellow governors and other leaders who formally request for you to use your discretionary authority to waive the volumetric requirements. The federal Clean Air Act, as amended by the Energy Independence and Security Act, allows you, in consultation with the Secretary of Energy and the Secretary of Agriculture, to waive the RFS requirements for up to one year if their implementation would severely harm the economy or environment of a state, a region or the United States.

The forecasts are dire, as crop yield and overall productions are projected to be lower than anticipated. Additionally, forage availability has been severely diminished, with more than 55 percent of the country's pastureland damaged by drought. Conditions regarding mandated ethanol production and the corn market are also markedly different in 2012 than 2008. Requirements for ethanol derived from corn starch have increased more than 60 percent; meanwhile, domestic corn production in 2012 will be less than in 2008, perhaps substantially so. In the past two years, more corn has been devoted to ethanol production than used for feed grain. These factors, compounded with the fact that more than 40 percent of the U.S. annual corn supply was to be used to meet the RFS corn-based ethanol requirement, threatens the sustainability of our agriculture producers.

RFS may have been a well-intentioned effort to move our country toward energy independence, but it has, predictably, done much more harm than good. Not only is it driving up grocery prices for all families, it is also putting increasing strain on businesses. Good intentions and laudable

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goals are small compensation to the families, farmers and ranchers who are being hurt by the federal government's efforts to trade food for fuel.

I urge your positive consideration of full or partial waiver of the mandated renewable fuel requirements in 2012 and 2013.

RICK PERRY

Rick Perry Governor

RP:jhp