

July 27, 2015

Electronic Submission: www.regulations.gov

The Honorable Gina McCarthy
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, D.C. 20460

Re: Docket No. EPA-HQ-OAR-2015-0111
Proposed Renewable Fuel Standards for 2014, 2015, and 2016

Dear Administrator McCarthy:

The Specialty Equipment Market Association (SEMA) welcomes the opportunity to provide comments on the Environmental Protection Agency's (EPA) proposed Renewable Fuel Standard (RFS) volume levels for 2014, 2015, and 2016. SEMA is encouraged by the EPA's decision to decrease the required amounts for this time period. This is a clear indication that the EPA recognizes that the current marketplace cannot sustain increased levels of ethanol through sales of gasoline with 10 percent ethanol (E10), and that sales of 15 percent ethanol (E15) are limited. SEMA opposes E15, contending that the fuel poses a risk to nearly 70 million older vehicles in addition to certain specialty high performance equipment installed on newer vehicles. SEMA urges the EPA to support legislation in Congress to reform the RFS and eliminate the corn ethanol mandate.

SEMA represents the \$36 billion specialty automotive industry. The trade association is comprised of about 6,800 mostly small businesses nationwide that manufacture, distribute and retail specialty parts and accessories for motor vehicles. The industry employs over 1 million Americans and produces performance, functional, restoration and styling-enhancement products for use on passenger cars, trucks and special interest collector and historic vehicles, like the ones that will be most directly and immediately affected by a change in the ethanol content of gasoline.

By reducing the required volumes of renewable fuels in American transportation fuel to better reflect marketplace realities, the EPA has an opportunity to reconsider the current artificial mandates for E15 gasoline. Ethanol can cause metal corrosion and dissolve certain plastics and rubbers, especially in older vehicles that were not constructed with ethanol-compatible materials. The EPA recognized this fact when it limited E15 sales to MY 2001 and newer vehicles. However, the EPA only required a gas pump warning label making it "illegal" for the consumer to fuel older vehicles with E15.

Specialty Equipment Market Association (SEMA)

1317 F Street, NW; Suite 500; Washington, DC 20004

Telephone: 202/783-6007; Fax: 202/783-6024

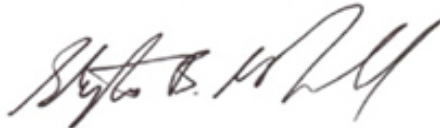


The EPA estimates that there are nearly 70 million pre-2001 vehicles subject to potential misfueling. This does not include the millions of boats, lawnmowers, handheld equipment, etc. that weren't designed for ethanol. If misfueled, the life span of this equipment can be dramatically reduced and owners could face equipment breakdowns.

The EPA has authority to reduce RFS limits but it is ultimately the U.S. Congress that needs to revise the RFS since lawmakers did not appreciate the law's unintended consequences when it was established in 2005. We urge the EPA to join SEMA in recommending that Congress eliminate the RFS corn ethanol mandate.

Thank you for your consideration of these comments and feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen B. McDonald". The signature is fluid and cursive, with the first name being the most prominent.

Stephen B. McDonald
Vice President, Government Affairs
Specialty Equipment Market Association