



NEBRASKA ETHANOL BOARD

STATE OF NEBRASKA

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GOVERNOR

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PRESS RELEASE

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Oil and water

A disinformation campaign, financed by international oil refiners and food processors, continues to distort basic facts about ethanol. Consumers and policy makers may wish to consider the following facts about two specific topics related to fuels.

More water is required to refine gasoline than ethanol. It takes 44 gallons of water to refine a single gallon of oil into gasoline, but only four gallons of water to produce a gallon of ethanol. Future ethanol production could use only 1.5 gallons of water for every gallon of ethanol as the process becomes more efficient.

Almost every manufacturing process requires the use of water. It takes 12 gallons of water to produce a slice of bread, 37 gallons for a cup of coffee, 150 gallons for a newspaper, and 4,400 gallons for a pair of leather shoes. More than 21,600 gallons of water are applied to the average residential lawn.

Many figures that purport to estimate water use in the ethanol production process include the amount of water it takes to grow corn, but 96% of the corn in the U.S. is grown with rain water rather than irrigation. One acre of corn gives off about 3,000 gallons of water per day through transpiration. Wet distillers feed produced as a co-product of ethanol production includes water which is consumed by livestock as the ration is used.

“Critics of ethanol cite water use as a detriment, but it’s clear that it takes less water to make a gallon of ethanol than a gallon of gas. Technological innovation will continue to reduce water used in ethanol production,” said Todd Sneller, administrator of the Nebraska Ethanol Board.

Record high gas prices prove the advantage of ethanol in the marketplace. Gas will soon be more than \$4 in many Nebraska locations. Weekly data released yesterday by the Energy Information Administration pegged the national gasoline price average at \$3.97 -- up 82 cents a gallon from the same week last year.

This is the consequence of oil recently surging past \$130 a barrel. And yet a coalition of vocal biofuel opponents is agitating to cap or roll back biofuel production. What would that do to the picture?

Economist John Urbanchuk calculates the initial impact of taking biofuels off the market would jack up the price of oil another 27.5 percent.

Urbanchuk also found that removing 4.5 billion gallons of ethanol from the U.S. market by waiving part of the Renewable Fuels Standard would cause gas prices to spike an additional \$1.10 per gallon.

“The presence of ethanol fuels in the market is projected to save Nebraska motorists more than \$70 million during 2008. Ethanol burns cleaner, it reduces our dependence on foreign oil, it lowers gas prices, and it uses less water than gas,” Sneller said. “It’s the best choice for Nebraska.”

Established in 1971, the Ethanol Board assists ethanol producers with programs and strategies for marketing ethanol and related co-products. The Board supports organizations and policies that advocate the increased use of ethanol fuels – and administers public information, education and ethanol research projects. The Board also assists companies and organizations in the development of ethanol production facilities in Nebraska. For more information, please visit www.ne-ethanol.org.