

Growth Energy (Dallas Gerber)

Please see attached comments.

September 14, 2026

Lauren Sanchez
Chair
California Air Resources Board
1001 I Street
Sacramento, CA 95814
Via electronic submission

RE: Proposed Amendments to the California Reformulated Gasoline Regulations

Chair Sanchez:

We appreciate the opportunity to provide comments on the California Air Resources Board's (CARB) Proposed Amendments to the California Reformulated Gasoline Regulations (Proposed Amendments), which respond to Assembly Bill (AB) 30 and provide needed regulatory clarity regarding the sale of gasoline blends with more than 10 and up to 15 percent ethanol by volume (E15) in California. Growth Energy (Growth) is the nation's largest association of ethanol producers, representing 97 U.S. plants that each year produce 9.5 billion gallons of low-carbon, renewable fuel; more than 130 associate members up and down the supply chain; and tens of thousands of biofuels supporters across the country.

Ethanol has historically been the leading source of greenhouse gas (GHG) emissions reductions in California's Low Carbon Fuel Standard (LCFS) Program, and AB 30 positions the sale of E15 in California to continue that trend. The California State Legislature legalized the sale of E15 to support the state's GHG emissions reduction goals and improve air quality, while also providing a cost-savings opportunity for California drivers and further reducing dependence on fossil fuels. CARB's Proposed Amendments follow from the Legislature's decision and efficiently integrate specifications for E15 in CARB's regulations.

Growth Energy strongly supports CARB's Proposed Amendments to the California Reformulated Gasoline Regulations, which use a commonsense approach to incorporating E15 into CARB's California RFG (CaRFG) regulations. During CARB's E15 Scoping Workshop, Growth Energy advocated for CARB to regulate E15 as a gasoline rather than a flex fuel or alternative fuel,¹ which will align California's regulatory approach

¹ Growth incorporates by reference here the comments it submitted on November 17, 2025, in response to CARB's October 14 E15 Scoping Workshop, available at https://ww2.arb.ca.gov/approved-comments?entity_id=45886.

with those of other states currently offering E15, as well as its sister agency the California Department of Food and Agriculture's (CDFA) Division of Measurement Standards and the U.S. Environmental Protection Agency (EPA). We applaud CARB's proposal to treat E15 as CaRFG.

Growth Energy also supports CARB's conclusion that the Proposed Amendments are exempt from the requirements of the California Environmental Quality Act (CEQA). We also write to propose that CARB's supplemental cost-benefit analysis reflect consumer savings from E15 and the mitigation of costs to retailers by the already-compatible fuel dispensing equipment that is widely available. We appreciate CARB's consideration of our perspectives.

CARB's Proposed Amendments Efficiently Integrate E15 into Existing CaRFG Requirements and Support Widespread E15 Adoption

AB 30 has permitted the sale of E15 in California since October 2, 2025, when it was signed into law by Governor Gavin Newsom. And on August 18, 2026, after reviewing the completed multimedia evaluation (MME) for E15 and CARB's proposed E15 regulations, the California Environmental Policy Council (CEPC) approved a resolution concluding that the use of E15 in California does not pose a significant adverse impact on public health and the environment as compared to CaRFG.²

CARB's proposal ensures that E15 will continue to be sold in California with regulatory efficiency and market certainty, and Growth applauds CARB's proposed approach to seamlessly incorporate E15 into the existing CaRFG requirements.

First, CARB proposes to regulate E15 as part of its CaRFG standards and add specifications to those provisions, rather than treat E15 as an alternative fuel. See CARB, *Proposed Amendments to the California Reformulated Gasoline Regulations, Staff Report: Initial Statement of Reasons*, at 14–17 (July 28, 2026) (ISOR). Codifying CaRFG specifications for E15 is an efficient approach that will both provide certainty for fuel suppliers and retailers and avoid the unnecessary expenses and delays that would result from the alternative approach CARB weighed at the October 2025 Workshop. CARB's Proposed Amendments also confirm that E15 can be offered alongside E10 in California, consistent with other markets that require low-RVP and RFG fuels. The Proposed Amendments further maintain consistency with the CDFA Division of Measurement Standards and EPA, which both characterize E15 as a gasoline rather than an alternative fuel or flex fuel.

Second, CARB proposes to allow downstream blending of E85 with E10 to produce E15, which will provide flexibility for retailers and further consistency with other jurisdictions by

² CEPC Resolution available at <https://calepa.ca.gov/wp-content/uploads/2026/08/Resolution.pdf>.

allowing blending of E15 at retail sites. See ISOR at 19. As CARB observes, many of the retailers currently offering E15 around the country are equipped with blender pumps that allow for on-site production of E15 by blending E10 and E85. See *id.*³ CARB's proposal thus minimizes costs to retailers and allows for widespread adoption of E15 consistent with national practices—while also maintaining safe operation and fuel quality.

Third, CARB does not propose to add California-specific labeling or warning requirements to address the possibility of misfueling. Such additional requirements are not necessary given the robust federal regulatory scheme that already obligates E15 producers to submit and implement a Misfueling Mitigation Plan before selling E15. In addition, EPA already requires retailers dispensing E15 to include labels that “clearly identify which control the consumer will use to select E15.” 40 C.F.R. § 1090.1510. The combination of federal Misfueling Mitigation Plans with labeling requirements has proven to be sufficient to protect consumers and retailers from misfueling nationwide. Indeed, as Growth explained in its comments to the October 2025 Workshop, concerns over misfueling have proven to be speculative. Moreover, E15 is approved for use in all cars, light-duty trucks, and SUVs after model year 2001, so the risks of misfueling continue to decrease with each successive year. Any additional requirements under California law focused on misfueling would be redundant with federal measures and could risk confusing drivers at the pump.

Fourth, the Proposed Amendments include other changes to clean up CARB's regulatory text, providing clarity for regulated parties and avoiding confusion, which Growth supports as proposed.

The Proposed Amendments are Exempt from CEQA, and CARB's Arguments for Exemption are Well-Supported

CARB has correctly determined that its Proposed Amendments are exempt from the requirements of CEQA. See ISOR at 20–21. CEQA obligates California agencies to evaluate the environmental impacts of actions that will result in a direct or reasonably foreseeable physical change in the environment. See Cal. Code Regs., tit. 14, § 15060(c)(2). In this case, the Proposed Amendments cause no physical change on their own: they do not mandate E15 sales, do not require any retailer to offer E15, and do not affect whether or how much E15 is sold in the state. Any physical changes from the sale of E15 in California are properly attributed to the legislation, AB 30, that declared E15 “may be sold in the state for use as a transportation fuel” immediately—meaning fuel sales were allowed once AB 30 was signed into law. Cal. Health & Safety Code

³ See also EPA, *Regulatory Impact Analysis, Renewable Fuel Standard (RFS) Program: Standards for 2026 and 2027, Partial Waiver of 2025 Cellulosic Biofuel Volume Requirement, and Other Changes*, at 283–84 (Mar. 2026).

§ 43013.7(a). In any event, the MME process concluded by CEPC found there are no significant adverse impacts to public health or the environment from E15 use in California.

The CEQA Guidelines' "common sense exemption" applies in this case. Because California law already allows the sale of E15 and has done so since October 2025, there is "no possibility" that CARB's decision to formally integrate E15 into its CaRFG regulations will "have a significant effect on the environment," and CARB's decision is thus exempt from CEQA. *Id.* § 15061(b)(3). CARB is not requiring that retailers engage in E15 sales in California or even opening California to E15 sales for the first time—the California State Legislature and Governor did that through AB 30. Accordingly, any "direct physical changes in the environment" or "indirect physical changes" associated with E15 sales in California were caused by AB 30—not CARB's subsequent amendments proposed in this rulemaking. *Id.* § 15064(d)(1)–(2).

For that reason, CARB appropriately concludes its Proposed Amendments cannot have an adverse impact on the environment because they will not "alter the environment beyond the existing environmental conditions" created by AB 30. ISOR at 24. Put simply, the Proposed Amendments will not cause changes in the market that AB 30 did not already allow. Moreover, even if already-authorized E15 sales in California are ascribed to changes introduced by the Proposed Amendments, the MME process confirmed that there are no significant environmental impacts from E15 sales and use in the state. See ISOR at 21–23.

In addition, CARB correctly concludes that, even assuming some physical changes can be attributed to the Proposed Amendments, multiple categorical exemptions to CEQA would apply because any such changes would consist of minor alterations of existing structures and facilities, see *id.* § 15301 (the "Class 1" exemption), the replacement or reconstruction of existing structures and facilities, see *id.* § 15302 (the "Class 2" exemption), or new construction or conversion of small structures, see *id.* § 15303 (the "Class 3" exemption). And lastly, the Proposed Amendments further California's GHG-reduction goals by supporting the sale of E15 in the state and is thus exempt as an action for the protection of the environment. See *id.* § 15308 (the "Class 8" exemption).

Beyond the enumerated exemptions articulated in the CEQA Guidelines and cited by CARB here, the Proposed Amendments simply do not qualify as a "project" subject to CEQA. See *id.* § 15060(c)(3) ("An activity is not subject to CEQA if . . . [t]he activity is not a project as defined in Section 15378."). A "project" is an action that "has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." *Id.* § 15378. But again, as detailed above and in CARB's ISOR, physical changes associated with the sale of E15 were introduced by AB 30, and the specific amendments proposed by CARB will not have an impact on retailers' decisions around equipment and infrastructure. Accordingly, CARB could make clear in finalizing the Proposed Amendments that, as a threshold

matter, CEQA does not apply to this action because it is not a “project” as defined by the Guidelines.

CARB’s Cost-Benefit Analysis Should Reflect Benefits Enjoyed by Consumers and the Availability of Compatible Equipment for Retailers

The cost-benefit analysis CARB prepared as Appendix B to the Proposed Amendments purports to monetize benefits to ethanol fuel suppliers and costs to retailers arising from infrastructure and equipment upgrades.⁴ CARB also roughly estimates “additional consumer costs associated with the additional fuel purchases necessary to replace the lost energy density of E15 relative to E10,” based on estimated increases in fuel use and the average retail price of E10 in 2025. *Id.* at 10. Although Growth Energy agrees that the Proposed Amendments do not specifically engender costs or benefits, as those are attributable to AB 30, Growth encourages CARB to update its supplemental analysis to better reflect the law’s potential impacts. Specifically, if CARB finalizes a supplemental analysis, it should consider a wider range of benefits associated with E15 and appropriately integrate the availability of E15-compatible equipment in its analysis.

First, costs to consumers arising from the lower energy density of E15 should be weighed against the substantial cost savings enjoyed by consumers from lower prices for E15. E10 and E15 have almost the same energy content, measured in BTUs, as non-ethanol gasoline, but are offered at a much lower cost at retail. On a cost per BTU basis, ethanol-blended fuels are less expensive than non-ethanol fuels. Per data collected by Growth Energy, the cost savings for E15 are such that the price of E15 per million BTUs is nearly double the difference in energy density between E10 and E15.⁵

To that end, those savings are demonstrated repeatedly and in multiple states across the country to benefit consumers at the pump. Growth Energy’s data reflect that E15 saves consumers up to 30 cents per gallon, and in a state with a robust LCFS program, savings could be even greater.⁶ Appendix B oddly attributes all credit generation benefits associated with the LCFS and Renewable Fuel Standard (RFS) to fuel suppliers, but there is ample evidence from states that have allowed E15 sales for many years that the economic reality reflects sharing of such incentives as cost savings for consumers.⁷ Accordingly, CARB’s cost estimates based on E10 pricing do not reflect the full picture of

⁴ See CARB, *Appendix B: Supplemental Analysis on Costs and Benefits of Expanded E15 Availability*, as Authorized by AB 30, at 4–9 (July 28, 2026) (Appendix B).

⁵ Growth Energy: E15 Saves Consumers Money. *Setting the record straight on ethanol’s energy density* (August 27, 2026) <https://growthenergy.org/wp-content/uploads/2026/09/3.-E15-Saves-Consumers-Money.pdf>

⁶ Growth Energy: E15 Could Save Consumers More than \$150 Million This Summer (May 6, 2026), available at <https://growthenergy.org/2026/05/06/e15-save-consumers-150-million/>.

⁷ Growth Energy: Year-Round E15 (UNL 88) More Savings at the Pump, *Growth for America’s Economy* (July 21, 2026) available at <https://growthenergy.org/wp-content/uploads/ge-docs/e15-savings-at-the-pump.pdf>

benefits E15 delivers for California consumers and overestimate the costs. Growth Energy recommends that CARB complete its analysis by incorporating consideration of cost savings to consumers.

In addition, CARB estimates costs to retailers needing to “upgrade infrastructure and equipment to support E15 deployment.” Appendix B at 3. Specifically, CARB cites the “costs to retrofit or replace tanks, dispensers, pumps, hoses, nozzles and other equipment with equipment specifically manufactured and certified for compatibility with E15.” *Id.* at 6. However, the range of potential costs that CARB estimates in Appendix B almost certainly overstates the costs for most retailers given the availability of retail fuel dispensing equipment that is compatible with E15. As detailed in Growth’s comments to the October 2025 Workshop, over 90 percent of dispensers in use nationwide are manufactured by companies with equipment warranted for E15 or higher, and hanging hardware (hoses, nozzles, breakaways, etc.) is also often compatible with E15 as evidenced by manufacturers’ warranty statements indicating compatibility.

CARB elsewhere recognizes that infrastructure in the state is ready for E15. As CARB describes, “existing [underground storage tanks] in California are nearly all E15 compatible as the State Water Resources Control Board (SWRCB) required E15 compatible tanks as of January 1, 2026.” Appendix B at 7. Growth agrees that this key infrastructure in California is already compatible and urges CARB to consider how it can efficiently confirm that other infrastructure is likewise ready for use with E15. In particular, costs for retailers will be further mitigated if CARB accepts manufacturers’ statements or warranties as sufficient proof of compatibility. Moreover, CARB could employ the same process of reviewing manufacturers’ statements and warranties to confirm that enhanced vapor recovery (EVR) systems approved for E10 are sufficient for E15. The Tier I Report of the E15 MME—along with previous literature review and testing of RVP characteristics for E10 and E15—demonstrated that the two fuels are indistinguishable with regard to vapor pressure,⁸ and the Tier II Report similarly found that differences in evaporative emissions for E10 and E15 are statistically insignificant.⁹ Accordingly, the Phase II EVR systems that CARB has already approved for E10 are obviously suitable for E15.

CARB can use an efficient and commonsense approach to confirming the compatibility of fuel-dispensing equipment in California that will mitigate costs for retailers, and its cost-benefit analysis should likewise reflect the wide availability of compatible equipment in its cost estimates. This approach would also align California with other states: As Growth mentioned during the October 2025 workshop, in the 34 other states in which E15 is currently offered, regulators have accepted manufacturers’ statements of compatibility in lieu of certification, which has proven to be a safe and efficient process.

⁸ *California Multimedia Evaluation of E11-E15 Gasoline-Ethanol Blends Tier I Report*, at 47 (June 4, 2020), available at https://ww2.arb.ca.gov/sites/default/files/2022-07/E15_Tier_I_Report_June_2020.pdf.

⁹ *California Multimedia Evaluation of E10 - E15 Gasoline-Ethanol Blends Tier II Report*, at 18 (July 24, 2023), available at https://ww2.arb.ca.gov/sites/default/files/2025-03/E15_MME_Tier_II_Report_July_2023.pdf.

Conclusion

Growth supports CARB's proposal for fully integrating E15 into its CaRFG regulations. By efficiently incorporating E15 into CARB's existing requirements and codifying flexibility for E15 blending at retail sites, the Proposed Amendments promise to provide regulatory certainty, clarity, and uniformity in the market, in furtherance of AB 30's goals to deliver environmental benefits with lower prices at the pump.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Bliley".

Chris Bliley
Senior Vice President of Regulatory Affairs
Growth Energy