

Jobs, Environment and Energy Independence

The U.S. economy has experienced a record decline with unemployment at nearly double digits and millions of Americans out of work and struggling.

At the same time, the price of foreign oil continues to rise, reaching \$73 a barrel last week. We continue to spend \$50 billion a year protecting foreign oil fields and shipping routes. *The Washington Post* has equated the rise of oil from \$80 to \$100 a barrel as having the same impact on the U.S. economy as a \$150 billion tax hike. We must confront our nation's addiction to foreign oil, and potentially

devastating effect on our environment.

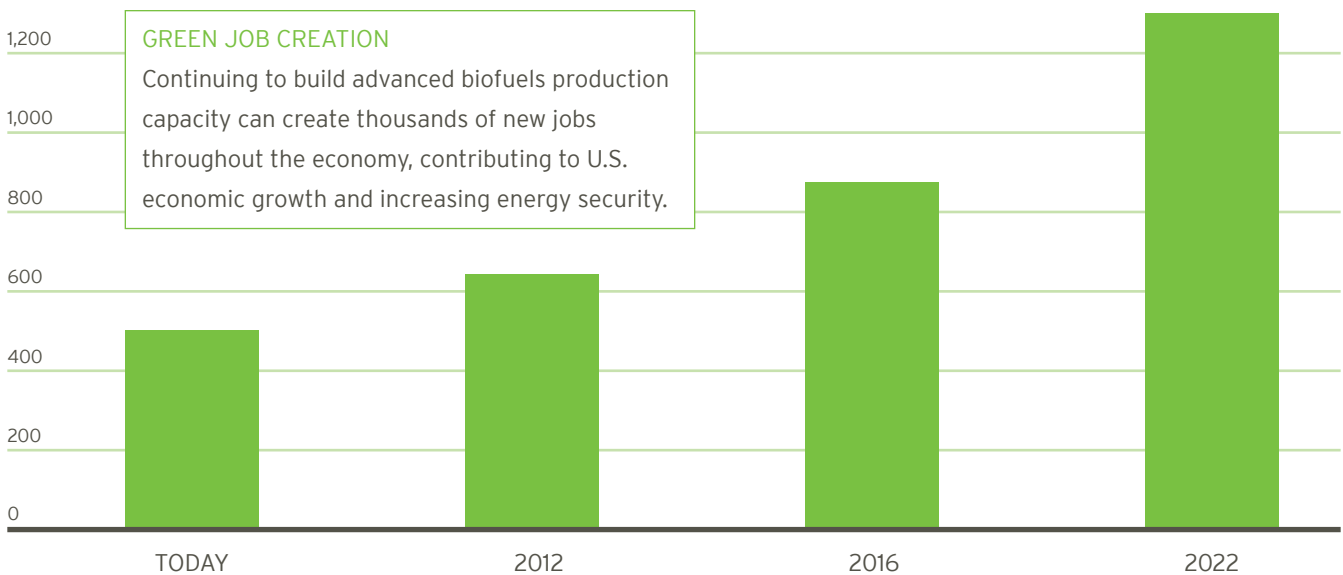
THE SOLUTION to these problems – from creating green jobs to becoming more energy independent – can be found right here at home, right now, with America's farmers and ethanol producers. Ethanol is the only practical alternative to oil that is available right now – it is fueling our cars, creating green jobs and reducing America's dependence on foreign oil.

GREEN JOBS

In 2008 alone, **the U.S. ethanol industry created and supported more than 400,000 green jobs**, reduced greenhouse gas emissions by 60 million tons, and eliminated the need to import more than 300 million barrels of gasoline,

often from volatile and unfriendly regions of the world. **By 2022, ethanol can help create more than 800,000 new jobs** in the domestic renewable fuels industry.

THOUSANDS OF JOBS



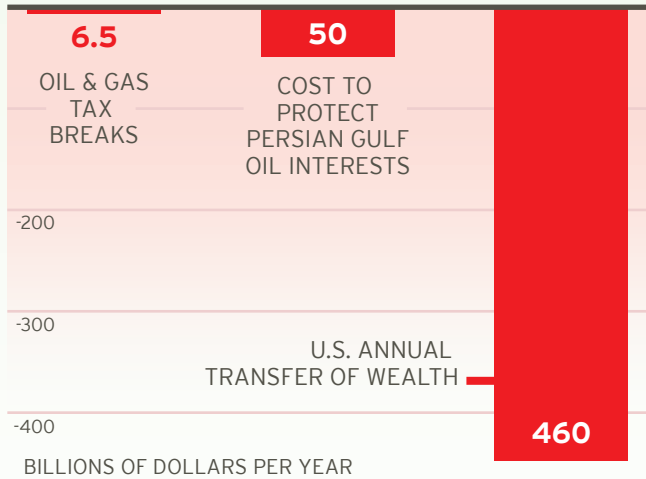
GREEN JOB CREATION
Continuing to build advanced biofuels production capacity can create thousands of new jobs throughout the economy, contributing to U.S. economic growth and increasing energy security.

SOURCE: Bio Economic Research Associates (bio-era™), U.S. Economic Impact of Advanced Biofuels Production: Perspectives to 2030



HIDDEN COSTS OF OIL

Here is another way to think about it: **currently, our dependence on foreign oil means the United States is outsourcing American jobs to foreign countries, along with our nation's economic sovereignty** – an annual wealth transfer of nearly half-



a-trillion dollars. That does not include the \$50 billion we spend annually to protect the oil shipping routes from these countries, many of which are hostile to the United States. In truth, most Americans don't know the hidden costs of foreign oil.

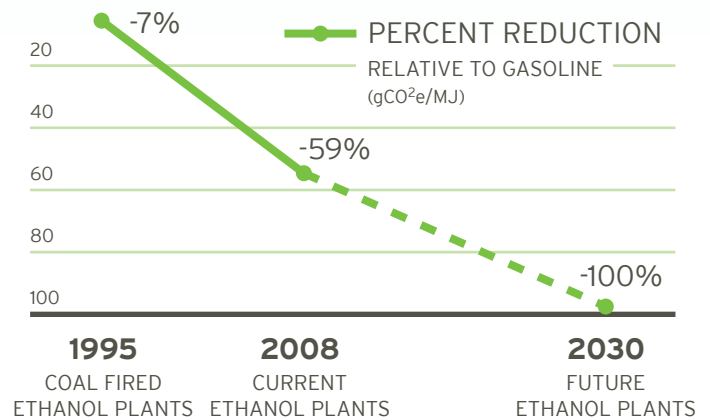
Let's Talk About Subsidies

The mature oil industry may be the most subsidized industry in U.S. history. Even today, while enjoying record profits, costing our nation billions in defense and transferring hundreds of billions of U.S. wealth overseas, the oil industry continues to receive substantial incentives and subsidies.

SOURCE: Friends of the Earth. Based on total tax breaks, royalty relief and research and development subsidies of over \$32.9 billion in the next 5 years; Department of Defense; Energy Information Administration. Based on 2008 U.S. consumption levels of 4.6 billion barrels of imported oil and the EIA's 2008 average price per barrel of \$99.55.

ENVIRONMENTAL ADVANCEMENTS

Ethanol has seen dramatic advancements in its environmental quality, substantially reducing its greenhouse gas emissions compared to gasoline. Today's ethanol plants produce up to 59 percent less GHG emissions than gasoline – and ethanol production is only going to get greener, with the potential to produce zero GHG emissions.



SOURCE: BESS version 2008.3.0, Liska and Cassman

HOW DO WE GET THERE?

American ethanol is the only existing alternative to gasoline today that is creating jobs, cutting greenhouse gas emissions and reducing our dependence on foreign oil. American ethanol is a common sense solution to moving America's jobs and energy agenda forward. With ethanol we can:

- Lower carbon emissions by enacting a National Low Carbon Fuel Standard.
- Create a more competitive environment and give consumers greater fuel choice.

- Remove the regulatory cap that requires our fuel to contain 90 percent gasoline.
- Require all vehicles sold in the U.S. to be Flex Fuel Vehicles.
- Develop availability of alternative fuels by increasing infrastructure, through increasing the number and locations of flex fuel pumping stations and the construction of bio-fuel pipelines.
- Strengthen market transparency, to give Americans more information about the hidden costs of foreign oil.