

Date: September 25, 2020

To: Governor's Council on Biofuels

From: Bob Patton (Bob.Patton@state.mn.us, 651-201-6226)

Jordyn Bucholtz (Jordyn.Bucholtz@state.mn.us, 651-201-6685)

RE: Packet for Monday, September 28, 2020 meeting

The packet for the September 28 meeting includes this memo, the agenda, and the packet for the September 24th meeting (being sent along with this packet and also found on the Governor's Council on Biofuels meetings page: www.mda.state.mn.us/meetings-governors-council-biofuels).

At the September 24 meeting, we introduced the description of the infrastructure roadmap as follows:

Roadmap Concept

- A timeline of milestones for higher biofuel blends: E15, E20, E25, E30, etc.; B30, B40, B50, etc.; and
- A plan for reaching those milestones.

We also went over a list of things we collectively need to know and agree to. From the discussion at Thursday's meeting, we added topics to that list and made it into an outline as follows:

Will need to know and reach agreement on:

- 1. Assuming no change in infrastructure regulations:
 - a. Infrastructure needs and estimated costs for each of the higher blends
 - b. Realistic timeframes for infrastructure to be ready
 - i. Question: how to address short-term (E15 to E25?) vs. long-term (above E25?)
 - c. What costs can be borne by various segments of the service station industry
 - d. Which industry segments need financial assistance
 - e. Sources of funding for financial assistance
- 2. Achievable and prudent changes to infrastructure regulations
- 3. How to structure biofuel content requirements (i.e. ethanol & biodiesel mandates) to move to higher blends while equitably treating and preventing undue harm to the service station sector, and in particular, smaller operators.

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We believe the outline provides an order of discussion for the subcommittee, and the ideas that already came up in Thursday's discussion can be placed into the "buckets" of this outline.

Thursday's meeting was primarily about infrastructure needs and estimated costs for each of the higher blends. That discussion may not be entirely complete, but we believe we captured the nuances, caveats, and reservations subcommittee members have sufficiently to write up a draft and bring the topic back to the subcommittee at a later time. So, for the purposes of the September 28 meeting, we would like to consider that portion of the subcommittee deliberation done for now.

We would next like to have the subcommittee tackle the next items on the list, starting with "realistic timeframes for infrastructure to be ready," a part of which is the question of what our goals are for the various points in time: just E15? E15 and E30?

Monday, we'd like to work through and get perspectives from everyone on all the items in the above outline. We propose that we do not worry at this point in time whether we are in all in agreement. It is perhaps more important that we hear and understand everyone's ideas and perspectives. So, we ask that you think about the various items in the above outline, jot ideas down, and be prepared to articulate them. But, at the meeting, we ask you make a concerted effort to listen for understanding.

We know this is a very difficult topic, but we are encouraged that this subcommittee and others contributing have creative ideas that will help us all achieve our goals. Thank you for your service and we look forward to the meeting.

Please let us know if you have any questions.



Governor's Council on Biofuels – Infrastructure Subcommittee September 28, 2020 Meeting

9:30 a.m. to 12:30 p.m. Webex Video Conference

Agenda

9:30 a.m.

Welcome, introductions, and overview of agenda Bob Patton, Energy and Environment Supervisor, MDA

10:00 a.m.

Review of 08-11 subcommittee interests document

10:15 a.m.

Perspective and idea sharing for each bucket of the discussion outline

- Realistic timeframes for infrastructure to be ready
- What costs can be borne by various segments of the service industry
- Which industry segments need financial assistance
- Sources of funding for financial assistance
- Achievable and prudent changes to infrastructure regulations
- How to structure biofuel content requirements

12:15 p.m.

Public Comment

12:30 p.m.

Adjourn