

**For Immediate Release**

**CONTACT: Doug Durante (301-718-0077)**

---

## CFDC Calls Extension of Ethanol Incentive a Critical Step Towards Reducing Imports

**Washington, DC, October 22, 2004.** Members of the Advisory Board of the *Ethanol Across America* education campaign joined together today to applaud the signing of the corporate tax bill that extends the ethanol tax incentive through 2010. U.S. Senators Ben Nelson (D-NE), Conrad Burns (R-MT), and Tim Johnson (D-SD) issued a joint statement in support of the ethanol and biodiesel provisions contained in the legislation which was signed by President Bush today in a White House ceremony.

“We have seen over and over again that ethanol is truly an effective means of stemming the flow of foreign oil,” said Co-Chairman Ben Nelson. “This legislation could not come at a more critical time as we face record oil prices and a mounting trade deficit.”

Fellow Co-chair Senator Burns added that ethanol production is helping meet both energy and clean air needs as reformulated gasoline using ethanol has successfully replaced MTBE in New York, California, and many locations in between. “As critical as our energy needs are, we cannot lose sight of the need to preserve air quality. The extension of the tax incentive and the establishment of the credit for biodiesel will do just that.”

Senator Tim Johnson, a member of the Senate Energy Committee, also noted the positive impact the tax modifications would have on vehicles using 85 percent ethanol, or E-85. “As effective as ethanol is as an additive to gasoline in blends, it is also America’s true alternative fuel,” said Senator Johnson. “American automakers are producing more cars and trucks everyday that can run on 85 percent ethanol, thereby significantly extending fuel supplies and reducing greenhouse gases.”

Current ethanol production is approximately 3.2 billion gallons per year, with significant increases expected as a result of these initiatives. Biodiesel production and use also is expected to expand significantly through new incentives in the tax package.

-end-

CFDC is a nonprofit organization comprised of agriculture organizations, ethanol producers, automobile manufacturers, and design and technology firms supporting the use of cleaner burning fuels and fuel additives.