

Open Letter to Marlo Lewis, Jr., Senior Fluffer at Competitive Enterprise Institute

Marc J. Rauch September 13, 2019

Hi Marlo -

I recently read an editorial you wrote about ethanol for a stink tank called Competitive Enterprise Institute. Your editorial targeted political pollster Frank Luntz and his appearance on Laura Ingraham's FOX NEWS television show on September 5th. I watched it, too. I'm a regular FOX NEWS viewer and I often watch Laura's show. I happen to be a very patriotic, conservative, free-market entrepreneur; with a real history of building businesses and helping businesses to market their products successfully. I mention this because it always grieves me when I hear other people who are supposed to be like me espouse ignorant anti-American, anti-free market rhetoric. In this regard, I'm referring to Laura Ingraham. Her whole thing is that she's supposed to be a conservative, pro-American nationalist. Given her dismissive reaction and response to Frank Luntz' comments, it seems to me that she's playing for the other side. (CLICK HERE to watch the Luntz-Ingraham interview)

As for you, I can't rightly say what you're supposed to be. Your bio states that you've been on committees, but that doesn't really mean anything. I don't see that you've had any actual business experience, which would account for your not understanding free-market business reality (and confusing it with text book theory). This would also explain your work to keep the oil industry excited - I did enjoy reading the DeSmogBlog biography of you when they call you "The Dirty Energy Industry's Best Friend." I do concede that your academic credentials make you eminently qualified to take the false information provided by oil industry press releases and talking-points memos and repeat them in TV and radio interviews. You probably would have been a really good fluffer for the tobacco industry back in their heyday of lies.

But enough opening pleasantries, let me get back to the real purpose of writing to you: correcting the garbage you wrote about ethanol in your September 6th editorial.

Frank Luntz was correct when he said that an E85 mandate would make America energy independent by election time November 2020. Actually, we wouldn't even need an E85 mandate, an E30 or E40 mandate would probably be more than enough, and it would probably make us energy independent by early 2020. And, the best news is that it definitely wouldn't cost auto manufacturers (and consumers) anything. All that might have to happen is to make a slight

adjustment to the software used in the on-board computers; allow owners of existing vehicles to make the same software upgrade; and just admit to vehicle owners that regardless of the age of their internal combustion engine vehicles, an increase in ethanol will have no negative effects on their engines. You see, Marlo, all claims that ethanol is more corrosive or damaging to engines than gasoline and aromatics are lies, lies invented by Big Oil's Anti-Ethanol Industry since the Prohibition Era.

You say that environmental groups are not fans of ethanol. If you mean those groups who are funded by oil industry entities, you're correct. If you mean the entities that were created by oil industry PR firms and have names that make them sound like they are environmentally conscious, you're correct. But regardless of whether these groups are sponsored by the oil industry or not, you make a huge mistake in using them to further your lack of knowledge. Reviewing your bio, Marlo, you've spent the better part of two decades arguing with environmental groups over catastrophic man-made climate change; putting them down; denigrating their positions; and denying their integrity. Now you want to use them to promote lies about ethanol. You've crossed into the twilight zone. If they could be correct about ethanol being bad, then they could be correct about man-made climate change...same pretend scientists, same questionable modeling, same hypocrite celebutards as spokesmen. And in doing this you ignore two very important historical facts:

- 1. The world's number one oil company...the company that led the formation of American Petroleum Institute and led the creation of all the negative myths about ethanol was also the leading seller of ethanol-gasoline blends in Britain for 60 years. Yes, it was Standard Oil. They marketed the "power alcohol" as being safer, cleaner, more powerful, and less expensive than gasoline without ethanol. They did this during the exact time that they were creating the ethanol lies and spreading them around North America. (CLICK HERE to read about the hypocrisy of big oil)
- 2. Leading oil companies today have huge positions in the Brazilian ethanol market. They are involved with producing sugar cane-based ethanol and corn-based ethanol. In Brazil, the regular fuel is E27, and their flex-fuel is not just E85, it's E95. They have the same vehicles we have. Brazil became energy independent by using ethanol. Brazil proved that what Frank Luntz suggested is possible.

You can't talk out of both sides of your mouth. You'll need to pick one position.

And Now Your Lies

Marlo, you write: "...because the market for petroleum is global, with multiple alternative routes of delivery, dependence on oil imports has never been a bona fide national security threat." And in your editorial, you link this statement to another outstanding example of a stink tank (Cato Institute) for verification of your odoriferous statement.

America fought in several major wars during the 20th century because it was felt that we were under a grave national threat. Millions of Americans died in these wars, many millions more were wounded and permanently disabled. The country spent trillions on these wars. If we were never in a bona fide national security threat then lots and lots of Americans were needlessly killed.

Since the link you provided goes to the absurd Jerry Taylor authored editorial, I'll provide the link to the rebuttal that I wrote and sent to Taylor and Cato in May 2010: <u>The Auto Channel Fights For The Truth About Ethanol Versus Gasoline</u>.

By the way, in case you are unaware of it, Jerry Taylor no longer plays in the Cato sandbox, he started his own thing and seems to pretty much be out of the "arguing against biofuels" business. I don't know if my criticism of his editorial had any impact on that decision, but I think it's clear that when I wrote in 2010 that he didn't know what he was talking about, I was right on the mark.

You then write, "even if President Trump could order automakers to produce more flex-fuel vehicles (he can't), most consumers would still shun E-85, for a very simple reason: poor fuel economy."

You base this conclusion on the oil industry's lie about the difference in energy content (BTUs) between gasoline and ethanol. It is true that gasoline has a higher energy content than ethanol, however it's completely irrelevant. Internal combustion engines don't run on steam power...no boiling water is required. Engine optimization, not energy content is the key. This has been recognized for more than 100 years and has been proven again and again in tests conducted by the U.S. Navy, the U.S. Geological Survey, the German Government, the French Government, and by real independent laboratories. And as William J. Hale described three-quarters of a century ago, the burning of gasoline in an internal combustion engine is so inefficient that gasoline loses 25% of its energy. Therefore, even if you want to compare BTUs, you can't compare gasoline's 116,000 BTUs against ethanol's 76,000 BTUs. The true comparison would be E0 gasoline at 87,000 BTUs versus E85's 84,500 BTUs. This is not a difference of 33%, but about 10%.

Consequently, Marlo, when you play with the numbers and try to make a case for poor economy, here is what you really get:

The average U.S. cost of E0 is \$2.88 cents. The average U.S. cost of E85 is \$2.15. That's a saving of 25%. If the vehicle got 10% fewer miles with E85, it's a net gain for the consumer. If the vehicle got 15% fewer miles, it's a net gain for the consumer. The same is true at any point up to 25% fewer miles, where the fuel economy of E85 would be even with E0.

So, the E85 doesn't provide poor fuel economy, it can provide much better fuel economy. (Fuels prices as of 9-12-19 https://e85prices.com/)

What this all means is that even if there was a loss of 33% between E0 and E85 it wouldn't be because of energy content, it would be because of engine optimization, and engines can easily be fully optimized to run on E85 and higher.

There's another aspect to this fuel economy issue: One of the benefits of using any ethanol-gasoline blend is that ethanol is beneficial to engines...it removes water that forms from condensation, it cleans the carbon debris that clogs engines, and it provides a power boost. Many people believe that aftermarket engine treatment products should be used with every fuel fill-up. Each bottle costs in the \$8 to \$9 range. If a person does this then he or she is adding the cost of nearly 3 gallons of fuel to the cost to fill up. So if, for instance, a person filled a 16 gallon tank with E0 the cost would be \$46.08 plus \$8.50 for the fuel treatment for a total of \$54.58. This makes each gallon of E0 \$3.41.

E85 doesn't require the engine treatment because the ethanol already performs the same tasks that the aftermarket product alleges that it does. So, the E85 is still only \$2.15 per gallon. But now each gallon is not 25% less than E0, the E85 is 37% less per gallon.

To further destroy your MPG differences, the Monroney figures you display to try and prove your stupid "poor fuel economy" remark are purely theoretical and were calculated only by mathematical equation; no one actually test drove these vehicles with the two fuels. The figures you so boldly display are as fictitious as any other negative comment you offer about ethanol.

I go into the entire BTU scam in much greater detail in a report I published in 2015:

The Irrelevance Of BTU Rating - Big Oil's Gimmick To Hoodwink The Public.

For more about the aftermarket engine treatment rip-off see these two editorials:

Famous Manufacturer of Anti-Ethanol Additives Proves Ethanol's Safety and Benefits

Automotive Aftermarket Saturated with Snake Oil Engine Additives

In conclusion, perhaps it's time for you to move on from bashing ethanol. Maybe Jerry Taylor can use you at his new gig. Or better yet, the "vaping industry" could probably use of person like you to disguise that disgusting practice.

I look forward to any reply you might like to make.