

Message

From: Mogler, Devin (Ernst) [Devin_Mogler@ernst.senate.gov]
Sent: 5/19/2017 8:04:58 PM
To: Bennett, Tate [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=1fa92542f7ca4d01973b18b2f11b9141-Bennett, El]; Palich, Christian [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=330ad62e158d43af93fcbbece930d21a-Palich, Chr]
CC: Groen, Stephanie [stephanie.groen@iowa.gov]; Kovarik, Kurt (Grassley) [Kurt_Kovarik@grassley.senate.gov]; Moore, Andrew [Andrew.Moore@mail.house.gov]
Subject: FW: Corn Oil One and EPA issue
Attachments: Pathways for Vegetable Oils for Bio-Diesel.pptx; 2016.11.11 CO1 Analysis and Determination Letter.pdf; Grassley.Letter.DCO.pdf; BobRileyErnstGrassley41017ltrhd.pdf; Corn Oil One Support Letter.pdf; Grassley.Letter.CornOil1.final.pdf

Tate and Christian,

Thank you so much for your time today – very much appreciate you coming to the hill to hear our concerns about a very narrow issue, which hopefully can be cleared up relatively easily.

I've attached most of the documents we discussed, and as you can see in Mr. Riley's email below, he will be back on June 21 and 22, though could make another time work as well.

Kurt or I will forward along some additional information from the other industry players separately.

Thanks again, and have a great weekend!

Devin Mogler | Legislative Assistant
U.S. Senator Joni Ernst | 111 Russell

From: Robert Riley [mailto:rgrileyjr@feedenergy.com]
Sent: Saturday, May 13, 2017 2:25 PM
To: Kovarik, Kurt (Grassley) <Kurt_Kovarik@grassley.senate.gov>; Mogler, Devin (Ernst) <Devin_Mogler@ernst.senate.gov>; Moore, Andrew <Andrew.Moore@mail.house.gov>
Cc: McKay, Aaron (Grassley) <Aaron_McKay@grassley.senate.gov>; Dolch, Michael (Ernst) <Michael_Dolch@ernst.senate.gov>; Joseph Riley - Cornoil1 <jpriley@cornoilone.com>; Brown, Tyler (Ernst) <Tyler_Brown@ernst.senate.gov>; Andrews, Joshua L. <Joshua.Andrews@FaegreBD.com>
Subject: Corn Oil One and EPA issue

Kurt and Devin:

Thank you very much for taking the meeting with me when I was in DC for the Des Moines Partnership meeting.

I believe we determined that the next step was for us to present a letter to Administrator Pruitt or his Chief of Staff, explaining the situation (simply) and request a face to face meeting.

I believe you thought the summary at the end of my small, illustrated slide deck was sufficient (see below) but if it needs to be a little more elaborate, I can do that. (I have attached the slide deck to this email as an attachment)

I will be in DC again on June 21 and 22, and would be available for a meeting at that time. However, if I need to come in at another time that is more convenient for

EPA and either Senator Ernst or Grassley or Congressman Young, I would be glad to travel to DC separately.

I am also attaching the technical analysis of our products showing that there is no substantial difference within our process, which should be sufficient for the EPA to designate our product as compliant with RFS2. This analysis was done by Eco Engineers. Eco Engineers is a leader in RFS2 Compliance and serves a significant share of ethanol and biodiesel companies for RIN auditing and RIN Quality Assurance Programs (QAP). The EPA relies on Eco Engineers to audit ethanol and biodiesel companies every year.

Additionally, I am attaching the letters of support from Iowa Economic Development Authority, numerous trade organizations here in Iowa, and various ethanol plant general managers. There is also a draft letter that we composed that is a more formal ask to the EPA administrator from Senators Ernst and Grassley. I believe Stephanie from the DC office of Governor Branstad has also provided support.

Please let me know what I can do to further this process along. As I mentioned, time is of the essence, as we are close to shutting down.

Somewhere in the EPA bureaucracy Corn Oil One is getting stuck, we continue to get “No” from people who cannot, or will not, tell us, “Yes”. We hope that this information, when communicated at the right level in the EPA (someone who has the authority to tell us “Yes”) will see the arbitrary way the EPA is treating CO1’s products and will make the right decision to allow us to participate in the market, before we are forced to close our doors, costing Iowa jobs now, and in the future, if we are allowed to participate and expand.

Thank you in advance for your help on this matter. Please call or provide me with a return email verifying our next steps, and a timetable in which we can proceed.

Verbiage for letter to Pruitt:

EPA Administrator Pruitt:

Corn Oil 1, co-located at the Southwest Iowa Renewable Energy (SIRE) ethanol plant in Council Bluffs, is a technology, and a company, invented, built and owned by Iowans

to add value to Iowa farmers, and add value to the ethanol and biodiesel industries. We can refine distiller's corn oil produced from Iowa's ethanol plants.

Our Corn Oil 1 plant was built and ready to run in February of 2015, when the EPA arbitrarily applied a term (bio-intermediary) and put us into that category, shutting off access to the biodiesel industry as specified in the RFS2. This has cost us millions of dollars, and might be the death of our company. The maddening part of our Corn Oil 1 – EPA situation is that the material flow and processing steps are exactly the same as the Soy oil industry, and they are free to participate in this market, under the same RFS2 rules!

- EPA arbitrarily classified Corn Oil 1 as a bio-intermediary, shutting us out of the RFS2 bio-diesel market. This has harmed Corn Oil 1 substantially, and has hurt the biodiesel and ethanol industry.
- By making this “distinction without a difference,” EPA has denied Corn Oil 1 access to the marketplace, while the other vegetable oil sectors, following an identical pathway, have access to freely trade in this market.
- Corn Oil 1 needs to be immediately certified by the EPA as a qualified supplier, the same as other vegetable oils, under the original RFS2 designation. Without this, Corn Oil 1, and the industries it serves, will be irreparably damaged

Please allow our congressional delegation and me to have a meeting to discuss this at your earliest convenience.

Robert G. Riley, Jr.
Chairman
Corn Oil 1
A member of Riley Resource Group
4400 E. University Ave.
Pleasant Hill, Iowa 50327
rgrileyjr@rileyresourcegroup.com
www.rileyresourcegroup.com
515-344-4406 (O)
Ex. 6
515-265-4163 (F)

nondum metam ("not yet at my goal")

Without faith, we wouldn't drink the water.

I arise in the morning torn between a desire to save the world and a desire to savor the world. That makes it hard to plan the day. E.B. White

"The test of our progress is not whether we add to the abundance of those who have much, it is whether we provide enough for those who have too little." Franklin D. Roosevelt

"Currently," said Sweidan, "there are a herd of environmental **black elephants** gathering out there" — global warming, deforestation, ocean acidification, mass extinction and massive fresh water pollution. "When they hit, we'll claim they were black swans no one could have predicted, but, in fact, they are **black elephants**, very visible right now."

—Thomas L. Friedman, "Stampeding Black Elephants"

'I beseech you, in the bowels of Christ, think it possible you may be mistaken.'¹ Oliver Cromwell

'One always can be mistaken, but one sometimes is not.'¹ Richard Robinson