

**Verbal Testimony of Nicole Vasilaros  
National Marine Manufacturers Association (NMMA)  
Before the Environmental Protection Agency (EPA)**

**Public Hearing for Standards for 2018 and Biomass-Based Diesel Volume for 2019 under  
the Renewable Fuel Standard Program**

Washington, DC  
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My name is Nicole Vasilaros and I am Vice President of Federal and Legal Affairs with the National Marine Manufacturers Association, representing 1,400 recreational boat, engine, and accessory manufacturers. Our members collectively produce more than 80 percent of the recreational marine products sold in the United States with a total economic impact of \$121.5 billion annually. The U.S. marine manufacturing industry is comprised of nearly 35,000 businesses that provide over 650,000 jobs.

142 million recreational boaters take to the water annually, consuming about 2.1 billion gallons of fuel. The proposed RVO levels for 2018 are deeply concerning to the recreational boating industry—due to the negative impact on marine engines, vessels, and consumers. Maintaining conventional ethanol volumes at 15 billion gallons, will flood the market with higher blends of ethanol without addressing looming problems including (1) the guaranteed availability of E10, (2) consumer demand for E0 and (3) the need for robust education on E15 usage and impacts.

New marine engines are designed, calibrated, and certified by EPA to operate on blends of E10. The initial waiver and this RVO proposal, however, does nothing to guarantee the continued access of E10 for boaters. Ninety-five percent of boaters fuel their boats at traditional gas stations. With higher RVO's, the threat of access for the millions of boats, off road products and older cars to fuel their engine remains real, without a guaranteed mandate that E10 also be available at all retail gas stations.

Marine boats are designed and built to run for decades. While newer engines are certified to run on E10, a legacy fleet of 16 million engines remains, and the component parts of boats are often jeopardized by the corrosive effects of ethanol. According to BoatUS, 90 percent of boaters prefer E0 over other alternatives. A recent survey by the publication *Boating Industry* also indicated that 92 percent of respondents have seen damage to boat engines caused by higher blends of ethanol.

While we appreciate EPA's acknowledgment that it underestimated the public's demand for E0 in its final rule for 2016, the current proposal still falls short of consumer demand. By keeping levels for conventional ethanol the same as last year, it means E0 will continue to be pushed out

of the fuel market. We urge this Administration to take into account market demand and consumer preference when accounting for E0.

Finally, the recreational boating industry continues to have concerns over the EPA's Misfueling Mitigation Plan—which fails to adequately educate boaters and off road product users of E15. The EPA's efforts to date have failed to educate and protect the consumer, as evident by a 2016 Harris Poll which found that only 31 percent of Americans understand that higher blends of ethanol can be harmful to small engines. Even more troubling, 60 percent of Americans assume that any gas that is sold at a gas station must be safe for all engines. NMMA stands ready to work with the EPA to improve consumer education beyond a non-descript fuel label pump.

Thank you for the opportunity to provide comments on behalf of the recreational boating industry.