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New Year Welcomes Same Oil Predicament \$100 Oil Underscores Importance of Investment in Renewable Fuels

Washington – With the new year barely 36 hours old, oil prices soared to over \$100 a barrel setting a new intraday trading high. With oil being such an integral part of our economy - impacting everything from stock prices to food prices to diapers for Baby New Year - this kind of volatility is the exact problem Congress addressed by passing the Energy Independence and Security Act of 2007 and investing heavily in new technologies like renewable fuels.

Responding to the record oil prices, Renewable Fuels Association President Bob Dinneen issued the following statement:

“Oil’s unprecedented rise to \$100 a barrel underscores our economic and geopolitical vulnerability to depleting oil reserves. While developing new oil reserves is proving more difficult and expensive, the American ethanol industry is rapidly developing new cost-effective technologies that will greatly reduce our nation’s reliance on imported oil from unstable regions often hostile to the United States.

“Developing new petroleum sources requires more energy-intensive and environmentally-questionable practices, such as the extraction of oil from the tar sands in Canada. Conversely, next generation ethanol technologies will improve ethanol’s already green footprint and allow for greater ethanol production from resources ranging from corn to switchgrass to wood waste and garbage.

“The continuing volatility of world oil and energy markets highlights the importance of the energy legislation Congress passed late last year. By pairing higher fuel economy standards with the increased use of renewable fuels from non-traditional feedstocks, our country now has a policy and plan in place to begin mitigating the impact of volatile and ever-increasing world oil prices.

“The energy paradigm in this country and around the world is beginning to change. Volatile oil prices and dwindling supplies further emphasize the need to develop renewable alternatives. The American ethanol industry stands ready to help lead the revolution away from fossil fuels and to a more stable, sustainable energy future.”

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