United States Senate

WASHINGTON, DC 20510

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Mr. Koichi Kondo
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Gentlemen:

We cannot underscore enough the importance of weaning the United States off of its "oil addiction," as the President put it in his State of the Union Address earlier this year. The bottom line is that we need a rapid fundamental shift away from oil in our transportation sector, and renewable fuels such as ethanol are poised to shape this transition. Oil-derived gasoline currently comprises ninety-five percent of our motor vehicle fuel supply. A concerted effort by the automobile industry, the energy sector, and government can rapidly change this oil dependance.

The use of biofuels spurs investment in this country rather than sending many billions of dollars in income abroad to countries often hostile to our way of life. Much of the investment is in rural communities, creating jobs and economic growth. These fuels are also a proven greenhouse gas emissions reduction strategy.

We have endeavored to promote domestic ethanol production for many years now. Our efforts, and especially the hard work of our nation's farmers, agricultural businesses and biofuels producers, are paying off. Ethanol production in the United States is expanding rapidly. There are nearly one hundred ethanol plants in operation, with dozens more in the construction or planning phases. Additionally, we are on the technological cusp of unlocking the vast energy potential of ethanol produced from cellulose. To make this exciting potential fuel scenario a reality, we must develop and deploy the needed technology and infrastructure today.

The use of high-blend ethanol, otherwise known as E-85, is a critical part of this strategy. A recent New York Times article, April 10, 2006, p. A1, details Brazil's success in dramatically expanding ethanol use. In particular, the story describes the amazing advancement into the marketplace of what are known as flex-fuel vehicles (FFVs). Only three years after the technology was introduced, more than seventy percent of the automobiles sold in Brazil are FFVs. These vehicles, according to the report, have entered the market mostly without any price increases.

"Motorists liked the flex-fuel system from the start because it permits them free choice and puts them in control," according to Vicente Lourenco, technical director at General Motors in Brazil, as quoted in the article. We couldn't agree more.

Our request to you is simple. Produce more FFVs as quickly as possible.

We know there are some technical and financial hurdles, as well as those having to do with infrastructure development. We are very eager to work with you to clear any impediments. However, since you are already producing these vehicles, or hybrids, or other advanced technology vehicles, it would seem to us that not only can you build many more FFVs, but that it is in your business interest to do so.

Last year, as you may know, we introduced legislation, S. 1994, the Fuel Security and Consumer Choice Act, to require that manufacturers produce additional FFVs each year for the next decade, increasing the share by some ten percentage points a year, until nearly all vehicles sold in the United States are FFVs.

We believe firmly that this is an achievable goal, and perhaps one that could be met within a much shorter period of time. It is our intention to have effective legislation concerning our nation's FFV fleet enacted into law in the very near future. In the meantime, we are strongly encouraging you to increase FFV production to improve American energy independence and security. Thank you for your attention to the critical issue of reducing our nation's dependence on imported petroleum.

Sincerely,

Tom Harkin
United States Senator

Dick Lugar
United States Senator