

Economic Impact of Statewide E15 Use in Iowa

March 29, 2021

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Iowa, the nation's largest ethanol producer, produced more than 4.1 billion gallons of ethanol in 2019. However, motor gasoline consumption in Iowa totaled only 1.4 billion gallons with E10 accounting for 128 million gallons of ethanol. If Iowa implemented a statewide E15 requirement ethanol use in Iowa would increase an additional 64 million gallons. The value of this output (ethanol, DDGS, distiller's corn oil) amounts to nearly \$110 million. The farm gate value of the 23 million bushels of corn feedstock used to produce this ethanol was \$81 million in 2019.

The economic activity generated by this industry output would add \$140 million to state GDP, generate \$41 million of household income, and will generate \$12 million of state and local tax revenue.

The direct effects in Table 1 represent the impacts of ethanol and co-product production. The largest economic impacts are the indirect effects that represent the business-to-business transactions required to produce the additional ethanol required to meet E15 use.

Table 1
Economic Impact of Implementing Statewide E15 Use In Iowa

Gasoline Use (Mil gal)	1,353
E10 Use (Mil gal)	128
Estimated E15 Use (Mil gal)	193
Additional E15 Use (Mil gal)	64
Corn Use for E15 (Mil bu)	23
Corn Use for E15 (Mil \$)	\$80.5
Value of Output (Mil \$)	\$109.2
Ethanol	\$76.5
DDGS	\$27.9
Distiller's corn oil	\$4.8

ECONOMIC IMPACT	Total	Direct	Indirect	Induced
Output (Mil \$)	\$312.7	\$109.2	\$175.8	\$27.6
GDP (Mil \$)	\$140.7	\$49.2	\$79.1	\$12.4
Income (Mil \$)	\$40.8	\$1.9	\$30.6	\$8.3
Tax Revenue (Mil \$)	\$12.4			