ABF Economics
Agriculture and BioFuels Consulting, LLP

Economic Impact of Statewide E15 Use in Missouri

March 29, 2021

Prepared by ABF Economics LLP

Missouri drivers consumed more than 3 billion gallons of motor gasoline in 2019 with an ethanol content in terms of E10 of nearly 300 million gallons, roughly equal to Missouri's ethanol production. As shown in Table 1 implementing statewide E15 use would require an additional 148 million gallons of ethanol. The value of this output (ethanol, DDGS, distiller's corn oil) amounts to more than $270 million. The farm gate value of the 53 million bushels of corn feedstock used to produce this ethanol was $195 million in 2019.

The economic activity generated by this industry output would add more than $370 million to Missouri GDP, generate $110 million of household income, and generate nearly $33 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 Missouri

Gasoline Use (Mil gal)	3,031
E10 Use (Mil gal)	296
Estimated E15 Use (Mil gal)	443
Additional E15 Use (Mil gal)	148
Corn Use for E15 (Mil bu)	53
Corn Use for E15 (Mil $)	$194.6
Value of Output (Mil $)	$273.5
Ethanol	$190.6
DDGS	$71.7
Distiller's corn oil	$11.1

ECONOMIC IMPACT	Total	Direct	Indirect	Induced
Output (Mil $)	$828.1	$273.5	$461.7	$92.9
GDP (Mil $)	$372.6	$123.1	$207.8	$41.8
Income (Mil $)	$110.4	$6.0	$78.2	$26.1
Tax Revenue (Mil $)	$32.8			