Chicago Urged to Mandate Ethanol Blend Fuel Sales to Offer Lower Gas Prices, Benefit Consumers

In a bid to provide consumers with more choices, cheaper fuel prices and reduced greenhouse gas emissions, Aldermen Edward M. Burke (14th) and Anthony Beale (9th) today proposed that all Chicago self-service gas stations must offer mid-grade ethanol fuel at the pump.

Introduction of the measure comes as a survey of average gas prices across the nation show Chicago has the highest average, $4.15 a gallon, and Tucson, Arizona had the lowest average price at $3.37.

The ordinance seeks to require all self-service stations licensed to operate in the City to make available mid-grade "E-15," a gasoline and ethanol blend that has an 88 octane rating and contains up to 15 percent ethanol.

"E15 is significantly less expensive than conventional gasoline, with expected savings between 5 and 15 cents per gallon," a preamble to the legislation stated.

The move may also serve as a boost to the local economy, according to the Illinois Corn Growers Association. Ethanol is a biofuel commonly made from corn and Illinois is the third largest ethanol producing state in the nation, with 14 operating ethanol plants that can produce 1.5 billion gallons of ethanol per year, an amount capable of displacing 30 percent of Illinois' gasoline demand.

The ordinance would mandate that "every licensee operating a self-service filling station open to the general public shall make available, at each filling station, self-service dispensing equipment that dispenses mid-grade E15 for use in motor vehicles and motor vehicle engines and shall offer mid-grade E15 for sale" within 180 days after passage and publication of the ordinance.

"Simply put, consumers deserve more choices at the pump, especially during this era of high fuel prices," Alderman Burke said. "And if every Chicago gas station offered a higher ethanol blend, I would anticipate that E-15 would become even more competitively and fairly priced."

Meanwhile, Alderman Beale labeled the proposal a green initiative. "Supporting this measure would strongly demonstrate that the City of Chicago is dedicated to improving local air quality, reducing petroleum usage, and mitigating greenhouse gas emissions from motor vehicles," Alderman Beale added.

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Smaller filling stations that sell less than 500,000 gallons a year, or that have tanks that are not compatible with the initiative, would be exempt.

The proposal was sent for consideration to the Committee on Finance.

For more information contact Donal Quinlan, media liaison, at 312-744-6237.

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ORDINANCE

WHEREAS, the City of Chicago is a home rule unit government pursuant to the 1970 Illinois Constitution, Article VII, Section 6(a); and

WHEREAS, pursuant to its home rule power, the City of Chicago may exercise any power and perform any function relating to its government and affairs including the power to regulate for the protection of the public health, safety, morals, and welfare; and

WHEREAS, the City of Chicago is dedicated to reducing fuel costs, improving local air quality, reducing petroleum usage, and mitigating greenhouse gas emissions from motor vehicles; and

WHEREAS, E15 is a blend of gasoline and up to 15 volume percent ethanol; and

WHEREAS, ethanol is a renewable domestic fuel that burns cleaner than gasoline; and

WHEREAS, Illinois is the third largest ethanol producing state in the nation, with 14 ethanol plants that can produce 1.5 billion gallons of ethanol per year; and

WHEREAS, the United States Environmental Protection Agency has approved the use of E15 in cars of the model year 2001 or later; and

WHEREAS, E15 is significantly less expensive than conventional gasoline, with expected savings between 5 and 15 cents per gallon; and

WHEREAS, according to the Argonne National Laboratory, higher blends of ethanol reduce the greenhouse gas emissions of motor fuel by an average of 34 percent compared to conventional gasoline; and

WHEREAS, transportation accounts for 21 percent of all greenhouse gas emissions in the city; and

WHEREAS, the City Council of the City of Chicago intends to ensure that that the city’s public fueling infrastructure provides access to alternative fuels; NOW THEREFORE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are expressly incorporated herein and made part hereof as though fully set forth herein.

SECTION 2. Chapter 4-108 of the Municipal Code of Chicago is hereby amended by adding a new Section 4-108-76, as follows: