



Government Affairs

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April 17, 2012

The Honorable Fred Upton, Chairman
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515

Re: H.R. 4345, The Domestic Fuels Protection Act of 2012

Dear Chairman Upton:

BoatU.S. is the largest organization of recreational boaters in the United States, with more than 500,000 members, each owning an average of two boats. Recreational boating is a significant contributor to our nation's economy and society. In 2010, boats generated \$30.4 billion of economic activity and supported nearly 300,000 American jobs. That same year, an estimated 75 million people spent time on a recreational boat, making this one of our nation's favorite recreational activities.

We have reviewed H.R. 4345, the Domestic Fuels Protection Act of 2012, and have concerns with several of its provisions. With the increasing likelihood that gasoline with ethanol content of up to 15% (E15) will be introduced into the fuel supply, this legislation would remove crucial protections for boating consumers. We urge you to reject this bill.

When the Environmental Protection Agency granted a partial waiver for the use of E15 only in 2001 and new cars and light trucks, it specifically banned its use in all boat and other off-road engines. Nevertheless, with E15 heading to gas pumps, BoatU.S. has a number of concerns that mis-fueling of boat engines will occur. In response to a 2010 EPA request for suggestions on how to prevent mis-fueling, BoatU.S. noted the following:

"Boats are fueled in a variety of places and ways. Some boats on trailers are towed to gas stations, and are filled up at the same time as the cars/trucks towing them. Larger boats are typically filled while floating in the water at a marine gas dock. Small dinghies and runabouts may use a small portable fuel tank, which is taken off the boat and carried to the gas station to fill, or is filled from the 5 gallon container in the garage that is used for lawn mowers, leaf blowers, and other small engines around the home. With such diversity in filling scenarios, there is no "one size fits all" answer to ensure proper fueling."

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Given the wide variety of methods used to fuel boats, it would be patently unfair to give a blanket exemption from liability for the responsible parties in the fuel supply chain, as proscribed in H.R. 4345.

For a number of years our members have experienced significant problems resulting from ethanol in gasoline, even at the currently 10% maximum permitted level. The chemical characteristics of ethanol make it a less than desirable fuel component in the marine environment and in engines that are not used daily. Ethanol readily absorbs water and is incompatible with many boat fuel system components. Thousands of boaters have faced significant — and expensive — problems, some leading to complete engine and/or fuel tank failure. Now, as E15 is poised to enter the marketplace, boaters are counting on the suppliers of fuel to dispense a product that will not damage their engines, void their warranties and potentially put them at safety risk from mechanical failures on the water. Should H.R. 4345 become law, exempting members of the fuel supply chain from liability, it will only serve to remove all incentive for suppliers to help prevent the inadvertent use of E15.

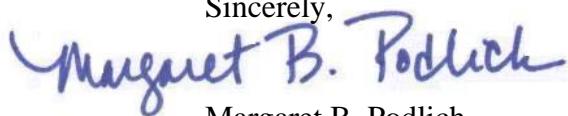
The only measure to prevent mis-fueling currently required is a label affixed on retail fuel pumps, a wholly inadequate scheme. There is no assurance such labels will always be in place or even remain legible, nor that they will be understood by consumers. Indeed, we have significant concerns that all fuel consumers, boaters among them, will be confused or led into inadvertently using E15 when fueling. Legislation that would absolve fuel retailers of any responsibility for taking even minor precautions is unacceptable. Should mis-fueling occur, resulting in engine and/or fuel system damage, boating consumers would have no recourse.

The proponents of E15 have suggested it is a safe fuel and will be compatible with much of the current fueling infrastructure. It is questionable, then, why this legislation is needed at all. Consumers should be provided the same protections from harm that they currently enjoy with fuels already in the marketplace.

We recognize that renewable fuels such as ethanol will be part of the energy mix for the foreseeable future. As E15 is introduced into commerce, however, boaters must be assured that safe, compatible fuels are available. We also expect fuel providers to stand behind their products. H.R. 4345 will not further these objectives and should be rejected.

Thank you for your attention to our concerns. Please let us know if we can be of assistance with this or any other issues that impact recreational boating.

Sincerely,



Margaret B. Podlich
President

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Cc: The Honorable Henry Waxman

The Honorable John Shimkus

The Honorable Gene Green