

Contract No. R003-008
“Promoting Ethanol Fuels in North Dakota”

Submitted by American Lung Association of North Dakota and North Dakota Ethanol Producers
Principal Investigator: Kelly Marczak

PARTICIPANTS

Sponsor	Cost Share
American Lung Association in North Dakota And North Dakota Ethanol Producers	\$30,000
American Lung Association in North Dakota (in kind)	\$12,300
North Dakota Industrial Commission	<u>\$30,000</u>
Total Project Cost	\$72,300

Project Schedule – 12 months	Project Deliverables:
Contract Date – June 25, 2009	Status Report: October 31, 2009 ✓
Start Date – July 1, 2009	Status Report: January 31, 2010 ✓
Completion Date – December 31, 2011	Status Report: April 30, 2010 ✓
	Status Report: October 31, 2010 ✓
	Final Report: December 31, 2011 ✓

OBJECTIVE/STATEMENT OF WORK:

The objective of this project is to increase the awareness and usage of ethanol in North Dakota through participation in trade shows, promotional campaign events, paid media impressions, etc.

STATUS

Contract has been executed. First status report was received. The American Lung Association in North Dakota (ALAND) and project partners began the project on July 1, 2009 by implementing a variety of methods to attract the attention of and further educate North Dakota motorists about the availability and benefits of E85 ethanol fuels. Activities included exhibits at expos that targeted both the fuel industry and the general public, print and radio advertising and retailer promotions. A detailed listing of these activities has been provided to the Commission. They include an ethanol retailer promotion, 4 exhibits, both earned and paid media, and website and materials development.

Second status report was received. The American Lung Association in North Dakota and project partners continued their activities to educate North Dakota motorists about the availability and

benefits of E85 ethanol fuels. An ethanol promotion was held in Forman, ND and exhibits were displayed at three major events during the quarter. In addition radio advertising, newspaper advertising and other print advertising took place. A new E85 Retailer Brochure was printed and distribution started during the quarter. Additional activities were planned with billboards in the upcoming quarters and a workshop in April.

The third status report was received for the January 1, 2010 – March 31, 2010 time period. During this quarter Don Kaiser replaced Valerie Kummer as coordinator of the project. Paid media advertising continued during this quarter (radio and other print such as *Prairie Business Magazine*, *North Dakota Living* and 325,000 travel guides). Arrangements were made for the Green Expo to be held on May 8-9, 2010 in Fargo, the Ethanol Workshop to be held on May 27, 2010 at the Bismarck State College Energy Center of Excellence and upcoming E85/Blender Pump Promotions to be held in June, 2010.

As a result of changes in staffing, a no-cost extension has been granted extending the reporting requirements and filing of the final report (final report to be filed by December 31, 2010)

The fourth status report was received for the time period ending September 30, 2010. During this time period additional E85/blender pump promotions took place with newspaper and/or radio advertising, a price discount, information giveaway and FFV displays. Exhibiting was done at the Green Expo (Fargo) and Great Plains Energy Expo (Bismarck). In addition media advertising was purchased—both radio and newspaper and the North Dakota Travel Guide. In addition corresponding activities included billboards and an ethanol workshop at the Great Plains Energy Corridor on May 27, 2010. It is anticipated that E85 sales are expected to more than double sales of 2009.

Notice was received that Joey Roberson-Kitzman has been named as the new coordinator of environmental programs for the American Lung Association and will be working on the clean fuel and vehicle technologies programming/Red River Valley Clean Cities Coalition and radon awareness campaign.

As a result of the changes in staffing a no-cost extension has been granted extending the reporting requirements and filing of the final report (final report to be filed by December 31, 2011).

The final report has been received and is linked to this website. The Project Overview within the final report states:

“The U.S. Energy Independence & Security Act of 2007 is a driving force for both the North Dakota and national markets toward growing use of ethanol fuels. This federal law, along with rising consumer demand for renewable fuels, offers an important opportunity to increase the interest in, demand for, and use of ethanol fuels by North Dakota drivers.

“At the time of the proposal, the use of ethanol fuels was still relatively low in North Dakota, with significant opportunity to expand the number of drivers using ethanol fuels and the number of gallons used per-capita. The project aimed to change this by implementing a variety of consumer education methods including ethanol fuel promotions, educational activities at public events and earned and paid media to reach motorists throughout the state.

“The activities outlined in the Final Report, along with additional education tactics implemented by project partners and the state’s blender pump assistance program, have all combined to achieve successful results that are significantly moving the state forward on increased use of renewable fuels, decreased emissions, increased energy independence and increased jobs, income and opportunities for North Dakota residents.

“Results include a significant increase in the percentage of North Dakotans who are aware of the benefits and availability of ethanol fuels. A 2008 study showed only 24.3% of North Dakotans said they were at least “familiar” with E10 gasoline and only 21.1% were familiar with E85. A follow up study conducted in 2010 showed significant increases, with 48.3% stating they were at least “familiar” with E10 (98% increase) and 37.5% stating they were familiar with E85 (77% increase).

“E85 sales have dramatically increased. In 2009, E85 sales averaged less than 23,000 gallons per month. In 2010, E85 sales averaged more than 55,000 gallons per month, and jumped to more than 110,000 gallons per month in 2011. This can be attributed to increased understanding of high blend ethanol fuels; increased availability of E85 and mid-level blends and increased availability of flex fuel vehicles.

“Availability of E85 and mid-level ethanol blends in the state has also increased significantly. In 2009, ALAMN awarded E85 infrastructure grants to six retailers. Since then, the state blender pump program, along with funding from the North Dakota Corn Council, has provided funding for more than 50 additional locations.

“Increased understanding of the benefits and availability of ethanol fuels has helped to spur North Dakota’s continued progress with renewable fuels. State investment and ongoing

educational efforts by partners are needed to ensure this growth is maintained and continues to provide additional benefits to our state and our residents.

“ALAND and project partners began the *Promoting Ethanol Fuels in North Dakota* project on July 1, 2009, implementing a variety of methods to attract the attention of and further educate North Dakota motorists about the availability and benefits of E85 ethanol fuels. Activities included exhibiting at expos targeting fleets, the fuel industry and the general public, print and radio advertising and retailer promotions.”

This contract is now completed.

Updated 4/4/12