

ND Petroleum Marketers Association

1014 East Central Avenue • PO Box 1956 Bismarck, ND 58502 • Telephone 701-223-3370 www.ndpetroleum.org • Fax 701-223-5004

NDPMA has represented retail petroleum marketers in North Dakota for nearly 60 years. NDPMA's mission is to provide a sustainable environment for legislative & regulatory advocacy, education, networking and member services for the industry.

NDPMA has long supported the research and development of alternative fuels while maintaining an equal playing field in the marketplace and most importantly, protecting the environment and providing consumer choice at the pump.

Information relating to E15 compatibility with much of North Dakota's retail gasoline dispensing infrastructure was obtained from state DEQ officials overseeing the Underground Storage Tank program.

DEQ data shows North Dakota has roughly 850 gas stations with underground storage tanks containing gasoline. Of those sites, only 33 facilities have UST systems compatible with E15. That leaves well over 800 retail shops in the state with underground storage tanks and/or underground product piping not compatible with E15. In North Dakota we still have a number of sites where federal underground storage tank system compatibility requirements can't be confirmed because of insufficient data. This means roughly 95% of the retail stores currently operating in North Dakota would require upgrades ranging from tanks and piping to dispensers in order to legally offer E15 to customers.

Gasoline dispensing system cost estimates were also generated from actual installation bids shared by retail members. These bids were provided to the marketers by two petroleum equipment installers doing business in North Dakota. The bids ranged from \$400-600 thousand per site depending on the scope of the work. Installers estimated 2-3 months to complete the upgrades at these sites. So, the cost of upgrading a petroleum infrastructure system to legally dispense E15 would be very expensive and likely cost prohibitive for many retailers. Keep in mind with site renovations of this magnitude, retail operations/sales will be somewhat limited, if not entirely shut down for a period of time.

Thank you for your time and consideration regarding this important issue. Feel free to reach out with any questions you might have regarding this subject.

Mike Rud

ND Petroleum Marketers Association

ND Retail Association

ND Propane Gas Association

Bismarck, ND 58501

701-223-3370