

**BEFORE THE COLORADO AIR QUALITY CONTROL COMMISSION
COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT**

REVISED PREHEARING STATEMENT OF COLORADO ETHANOL GROUP

**IN THE MATTER OF AMBIENT AIR QUALITY STANDARDS REGULATION,
REGULATION NUMBERS 3, 7, AND 11 FOR THE DENVER METROPOLITAN &
NORTH FRONT RANGE AREA OZONE ACTION PLAN**

Under authority set forth in Section 1.5.5(5)(c) of Procedural Rules of the Colorado Air Quality Control Commission (5 CCR 1001-1), ERAS, Inc., Pacific Ethanol, Inc., Sterling Ethanol LLC, and Yuma Ethanol LLC, collectively, the Colorado Ethanol Group (“CEG”), by and through their counsel, Richard L. Griffith, LLC, submit this Revised Prehearing Statement as a replacement for its original Prehearing Statement. At the prehearing conference on November 17, 2008, the Commission’s Hearing Officer approved a stipulation by the CEG, the Air Pollution Control Division (“APCD”), the Regional Air Quality Council (“RAQC”) and several of the parties that included the withdrawal of the CEG’s original Prehearing Statement and the filing of a revised prehearing statement.

A. Executive Summary

The CEG is comprised of three ethanol producers operating in Colorado and ERAS, Inc., which has been involved in the infrastructure, development and use of ethanol in Colorado for more than 20 years. Pacific Ethanol, Inc. is a 220 million gallon per year (mgy) ethanol producer operating in four states, including a 42 percent interest in Front Range Energy’s 50 mgy ethanol plant in Windsor, Colorado. Sterling Ethanol LLC operates a 60 mgy ethanol plant in Sterling, Colorado. Yuma Ethanol LLC operates a 60 mgy ethanol plant in Yuma, Colorado.

The proposed Ozone Action Plan includes further evaluation of three potential ozone mobile source fuels strategies (“Fuels Study”) in 2009: federal reformulated gasoline (RFG), 7.0 psi RVP gasoline with the Ethanol Waiver, and elimination of the “Ethanol Waiver” while retaining the current 7.8 psi RVP limit. The Ethanol Waiver, Sec. 211(h)(4) of the Clean Air Act, allows 7.8 psi RVP gasoline blended with 10 percent ethanol (E10) by volume to have an RVP of 8.8 psi. By stipulation, the RAQC and the APCD have agreed that inclusion of the Fuels Study in the Ozone Action Plan is for information purposes only and not for action by the Commission. The CEG supports maintaining the Ethanol Waiver in effect but is participating in this proceeding only to respond to questions or to provide rebuttal related to the Ethanol Waiver.

B. Position on Factual and Legal Issues

The CEG is presenting no position on factual or legal issues.

C. Issues to Be Resolved by the Commission

The CEG is presenting no issues to be resolved.

D. Exhibits

None.

E. List of Witnesses and Summary of Testimony

The Colorado Ethanol Group may call the following witnesses at the hearing to answer questions or provide rebuttal with respect to the Ethanol Waiver:

Dan Sanders, Company Manager, Front Range Energy LLC, 31375 Great Western Dr., Windsor, CO 80550.

David Kramer, President/General Manager, Yuma Ethanol LLC and Sterling Ethanol LLC, Box 1804, Sterling, CO 80751.

Timothy Raphael, Director, Communications and Governmental Affairs, Pacific Ethanol, Inc., 220 NW Second Ave., Suite 900, Portland, OR 97209.

Ms. Patty Stulp, President, ERAS, Inc., 9740 Dallas St., Henderson, CO 80640.

Mr. Richard L. Griffith, 1580 Lincoln St., Suite 700, Denver, CO 80203.

F. Written Testimony

None.

G. Alternate Proposed Rule

None.

H. Requested Time for Testimony at Hearing

The CEG requests 5 minutes for rebuttal, as appropriate.

DATED this 21st day of November 2008.

Respectfully submitted,

Richard L. Griffith, LLC

By /s Richard L. Griffith
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ATTORNEY FOR THE COLORADO ETHANOL GROUP

CERTIFICATE OF SERVICE

This is to certify that I have served by email the **REVISED PREHEARING STATEMENT OF COLORADO ETHANOL GROUP** upon all parties identified below this 21st day of November 2008, addressed as follows:

COMPANY/ORGANIZATION	NAME	EMAIL
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El Paso Corporation	Daniel J. Schnee for El Paso Western Pipelines consisting of: Colorado Interstate Gas Company; El Paso Natural Gas Company; Wyoming Interstate Company, Ltd.; Cheyenne Plains Gas Pipeline Company, L.L.C.; and Mojave Pipeline Company; who are all subsidiaries of: The El Paso Corporation	Daniel.schnee@elpaso.com
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/s Richard L. Griffith