

July 23, 2008

Mr. Tim Hearn
Chair
The C.D. Howe Institute
67 Yonge Street, Suite 300
Toronto, Ontario
M5E 1J8

Mr. William Robson
President and CEO

Dear Mr. Hearn and Mr. Robson:

On behalf of the members of the Canadian Renewable Fuels Association (CRFA), I am writing to request that the C.D. Howe Institute withdraw the recently published report: "The Ethanol Trap: Why Policies to Promote Ethanol as Fuel Need Rethinking" by Douglas Auld. In the interim, we also ask that you formally consider the attached rebuttal as part of the Institute's "rigorous external review" policy and publicly post this response on the Institute's website along side its recent report. The Institute's report, based on our commissioned study, fails all reasonable tests of independence, integrity, and objectivity the Institute purports to be the standard by which it publishes major reports and studies.

The C.D. Howe Institute's own independence and non-partisan policy states the Institute's "reputation for independent, reasoned and relevant public policy research of the highest quality is its chief asset and underpins the credibility and effectiveness of its work." Given the numerous errors in fact and inconsistent application of research methodology, this report is inherently flawed and fails to meet, in our submission, the high standards of the Institute.

The CRFA was compelled to commission this comprehensive rebuttal to Douglas Auld's flawed report after it was released and as a result of the attention it garnered. Any reasonable review of our rebuttal will demonstrate that the Institute's report cannot meet The C.D. Howe Institute's own policy of "rigorous external review" to "ensure the quality, integrity and objectivity of the Institute's research." Given the Institute's policy that it "will not publish any major study that, in its view, fails to meet the standards of the external-review process" we insist our request for withdrawal of the report, and our rebuttal being posted in the interim, be given serious consideration and that CRFA members receive a formal response from the Institute as soon as possible.

We will be proceeding to publicly release our commissioned rebuttal to the Institute's report shortly, as well as this request to the Institute as set out above. Out of professional courtesy, we are providing you advance notice of this step – something that was not afforded the industry by the Institute when its report was released.

Sincerely,



Gordon Quaiattini
President