

Title 9 –Energy.
Section by Section Analysis

(NOTE THAT ALL FUNDING LEVELS ARE SUBJECT TO THE RESERVE UNLESS OTHERWISE NOTED)

Sec. 1. Federal procurement of biobased products.

Provides for the inclusion of biobased products composed of at least five percent intermediate ingredients and feedstocks in the procurement preference program established under section 9002 of the 2002 Farm Bill.

Requires the Secretary to consult with business, academia, and other Federal agencies and to issue criteria for determining which products, intermediate ingredients, and feedstocks will qualify for the USDA Certified Biobased Product label.

Doubles current mandatory funding to \$2 million annually and expands the purposes for which the funding may be used to include support for ongoing operations of the biobased product designation program, the voluntary labeling program, procurement program models, procurement research, promotion, education, and awareness of the Bio-Preferred Program.

Sec. 2. Loan guarantees for biorefineries and biofuel production plants.

Provides for loan guarantees of up to ninety percent of loans used to help pay for development, construction and retrofitting of biorefineries and biofuel production plants to demonstrate the commercial viability of converting biomass to fuels or chemicals.

Loan guarantees may cover up to \$2 billion in loans, split evenly between relatively small plants (up to \$100 million) and larger plants (\$100 - \$250 million). The Secretary determines the maximum loan term.

Selection criteria for the loans follow those for the existing grants program in section 9003 of the 2002 Farm Bill.

Sec. 3. Biodiesel fuel education program.

Reauthorizes program and maintains funding at \$2 million annually.

Sec. 4. Renewable energy systems and energy efficiency improvements.

Reauthorizes and increases funding from the current \$3 million to \$50 million in 2008, ramping up to \$150 million in 2012. Also reserves 15% of funds for projects costing \$50,000 or less.

Sec. 5. Adjustments to the bioenergy program.

Defines the term “agricultural cellulosic biomass”.

Clarifies that the term “bioenergy” includes (a) the production of heat and power from agricultural cellulosic biomass materials at a biofuels plant, (b) biomass gasification, and (c) hydrogen made from cellulosic commodities for fuel cells. (The term “bioenergy” also includes biodiesel and fuel grade ethanol.)

Amends the list of eligible commodities under the program by adding agricultural cellulosic biomass and excluding corn starch.

Increases current funding level of \$0 for 2007 to \$1.5 billion for the 2008-2012 period.

Sec. 6. Research, extension, and educational programs on biobased energy technologies and products.

Reauthorizes Sun Grants to promote research, extension, and education related to biobased energy and product technologies.

Sec. 7. Biomass energy transition reserve.

Sec. 8. Forest Bioenergy Research Program.

Authorizes the Secretary of Agriculture to work with other Federal agencies and universities to conduct a competitive research and development program (including grants, and cooperative agreements) to encourage new forest to energy technologies. Funded at \$15 million annually.

Sec. 9. Energy Council of the Department of Agriculture.

Creates an Energy Council in the Office of the Secretary at USDA to promote the Department’s role in renewable energy production. (Replaces USDA Office of Energy Policy and New Uses.)

Sec. 10. Dedicated ethanol pipeline feasibility studies.

Provides \$1 million for feasibility studies for the construction of a dedicated ethanol pipeline and requires a report to Congress on the results of such studies. (Authorization of appropriations only.)

Sec. 11. Biomass research and Development Act of 2000.

Modifies findings to include biodiesel, and amends technical study areas to clarify that research areas include sugar processing and refining plants. Extends the Act through 2012. Increases funding from current level of \$14 million to \$50 million in 2008, ramping up to \$150 million in 2012.

(Also does not change current law provision that authorizes an additional annual appropriation of \$200 million through 2015.)