Hearing Charter

COMMITTEE ON SCIENCE AND TECHNOLOGY
SUBCOMMITTEE ON ENERGY AND ENVIRONMENT
U.S. HOUSE OF REPRESENTATIVES

"A path toward the broader use of Biofuels: Enhancing the federal commitment to research and development to meet the growing need"

Thursday, June 14, 2007
2:30 p.m. – 4:00 p.m.
2318 Rayburn House Office Building

Purpose

The House Committee on Science and Technology Subcommittee on Energy and Environment will hold a hearing entitled **"A path toward the broader use of Biofuels: Enhancing the federal commitment to research and development to meet the growing need"** on June 14, 2007, at 2:30 pm in room 2318 Rayburn House Office Building.

The purpose of this hearing is to examine the federal efforts on research, development and demonstration of technologies related to the production of biofuels, the development of biorefineries and demonstrations of those technologies. The hearing will further focus on legislative proposals to restructure and enhance the biofuels research and development programs of the Department of Energy and the Department of Agriculture under consideration in the House and Senate and how the provisions will help to enhance ongoing research in areas related to biofuels and promote a greater degree of coordination of research materials related to biofuels.

Background

High gasoline prices, a desire to reduce our dependence on foreign sources of energy, and concerns over climate change have greatly increased interest in bio based fuels as an alternative to petroleum for transportation fuel. Over the last several years, in part as a result of the Renewable Fuel Standard included in the Energy Policy Act of 2005, the use of biofuels -- most notably corn-based ethanol -- has grown significantly. Ethanol is most commonly blended with gasoline at a level of 10% or less. And, this still only represents a small portion (less than 5%) of the total gasoline sold.

Recent proposals in Congress and by the Administration have called for significant increases in the use of biofuels over the next ten years. Currently biofuel supply relies almost exclusively on corn-based ethanol. Concerns have been raised about further expansion of corn-based ethanol to meet the targets set for biofuel production. Competition with food and feed supply, water and nutrient demand associated with corn production, and continued questions about the energy

balance of corn-based ethanol production all suggest that biomass sources for biofuel production must be diversified The majority of this focus has been development of fuels from cellulosic materials including grasses, wood, and waste materials. However, current technologies for the development of fuel from these sources continue to be expensive and not cost-competitive with corn-based ethanol.

If we are going to move toward broader use of biofuels, technology will be necessary to create reasonably priced fuels from cellulosic materials. The Agricultural Risk Protection Act of 2000 (Title III), the Farm Security and Rural Investment Act of 2002, and the Energy Policy Act of 2005 created bioenergy research and development programs to focus federal research funding on the development of biofuels derived from cellulosic materials. This research is ongoing and operates under a Memorandum of Understanding between the Department of Energy and the Department of Agriculture.

Legislative Proposals / Discussion Draft

The Committee on Agriculture marked up a title on Energy at the end of May. Their proposal amends the Sections of the 2002 Farm Bill that authorize joint USDA and DOE research and development programs on biofuels and amends the Biomass Research and Development Act of 2000, the other primary authorization for joint DOE and USDA biomass research and development programs.

The Senate Energy and Natural Resources Committee reported energy legislation to amend and expand authorization for research and development programs on biofuels at the Department of Energy (S. 1419).

Earlier today, Subcommittee Chairman Lampson released a "Discussion Draft" of legislation entitled *The Biofuels Research and Development Enhancement Act*. The witnesses have been provided a copy of the draft and are being asked to include thoughts on the draft in their testimony. A copy of the draft and a section-by-section are attached. To quickly summarize, the draft would do the following:

- As it relates to Section 932 (Bioenergy Programs) of The Energy Policy Act of 2005, discussion draft does several things:

    1) Creates a new research component to focus on biofuels infrastructure.

    2) Creates a new research component to focus on energy efficiency in biorefinery facilities to reduce energy consumption in the development of biofuels

    3) Increases the authorization levels for the Bioenergy program. Specifically:

        - FY08 -- $377 million
        - FY09 -- $398 million
        - FY10 -- $419 million

- Creates an "Information Center" at the Department of Energy to serve as a clearinghouse of information about biofuels research and development.

- Creates a grant program for states with low levels of biofuels production to work toward higher levels of production

- The draft also conducts several studies:

    - Increasing consumption of mid-level (10% - 40%) ethanol-blended gasoline
    - Optimization of Flex Fuel Vehicles while running on E-85
    - Engine durability at differing blend levels of biodiesel

Witnesses

- **Robert Dinneen, President, Renewable Fuels Association.** RFA is a national trade association for the domestic ethanol industry. RFA's membership includes a broad cross-section of businesses, individuals and organizations dedicated to the expansion of the U.S. fuel ethanol industry. Mr. Dinneen has presented testimony before the Congress and Federal agencies on numerous occasions, and represented the ethanol industry's interests at state, national and international forums.

- **Thomas Foust, Biofuels Research Director, National Renewable Energy Laboratory.** The National Renewable Energy Laboratory is the nation's primary laboratory for renewable energy research and development. The Biomass Program supports NREL R&D focused on biomass characterization, thermochemical and biochemical biomass conversion technologies, biobased products development, and biomass process engineering and analysis. Mr. Foust manages these programs.

- **John Berger, Chairman and CEO, Standard Renewable Energy and the CEO of BioSelect,** Standard Renewable Energy is a leader in renewable energy, serving commercial and residential customers with clean, renewable energy and energy efficiency technologies. BioSelect, a division of Standard Renewable Energy, is a developer and operator of biodiesel production facilities

- **David Waskow, Friends of the Earth, U.S.** Friends of the Earth, U.S. is part of a network of international groups in 70 countries. David Waskow is an international policy analyst and works on the environment, trade policy, and corporate accountability.

- **Michael J. McAdams, Executive Director, Advanced Biofuels Coalition.** The Advanced Biofuels Coalition is a collection of companies who utilize advanced technologies or provide renewable-based feedstocks to produce renewable fuels - both biodiesel and gasoline compatible components.