USDA Update on Advancing Biomass Projects

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Biomass TAC Q4 Meeting Nov. 12, 2012



USDA Biomass Updates

- Farm Bill
- Farm Bill Section 9000's Update
 - Rural Energy for America Program (REAP)
 - Biomass Crop Assistance Program/
 Biorefinery Assistance Program
 - Biomass Research and Development Initiative
 - Bioprefered Program
- Energy Website 2.0
- Sixth Regional Biofuels System Award



Expiration of the Food, Conservation and Energy Act of 2008

"Many programs...were authorized under the Food, Conservation and Energy Act of 2008 ("2008 Farm Bill") through September 30, 2012. These include a great number of critical programs impacting millions of Americans, including programs for farm commodity and price support, conservation, research, nutrition, food safety, and agricultural trade. As of today, USDA's authority or funding to deliver many of these programs has expired, leaving USDA with far fewer tools to help strengthen American agriculture and grow a rural economy that supports 1 in 12 American jobs."

-Tom Vilsack, October 1





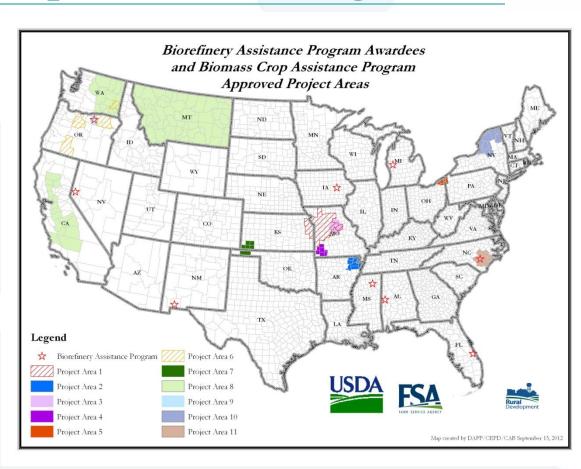
Rural Energy for America Program

- 14 additional biomass projects awarded in Oct.
- 35 total biomass projects for FY2012
 - \$7.13M GuaranteedLoans
 - \$2.2M in Grants
 - 65% budgetreduction in 2012



Biorefinery Assistance Program Biomass Crop Assistance Program

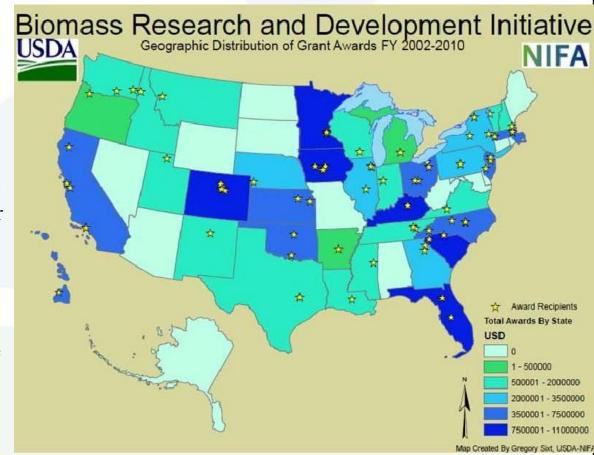
- BiorefineryAssistance Program
 - 9 Active Projects
 - -\$771M Guar. Loan
 - -135.3 MMG/year, 14+ MW power
- Biomass Crop Assistance Program
 - − 11 Approved ProjectAreas, 188 counties,~60,000 acres
- Reauthorization required for programs continuation





2012 Biomass Research and Development Initiative Grant Program

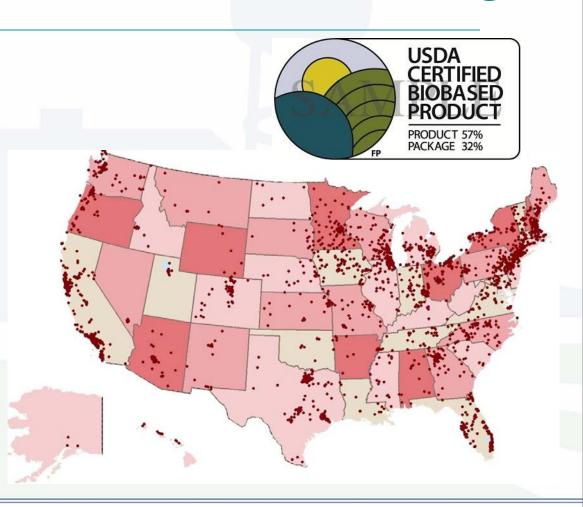
- Quad County Corn Cooperative
 \$4.25 M- cellulosic ethanol
- ARS National Center for
 Agricultural Utilization Research
 \$7 M- oilseed for renewable diesel
 and jet fuel in western U.S.
- Cooper Tire & Rubber Co \$6.85M-rubber-producing shrub southwest for biobased tires, jet fuel
- University of Wisconsin \$7 M-closed-loop systems on dairy farms for cellulosic ethanol, oilseed
- University of Hawaii \$6M- optimize production of grasses in Hawaii for renewable jet and diesel
- Program needs reauthorization





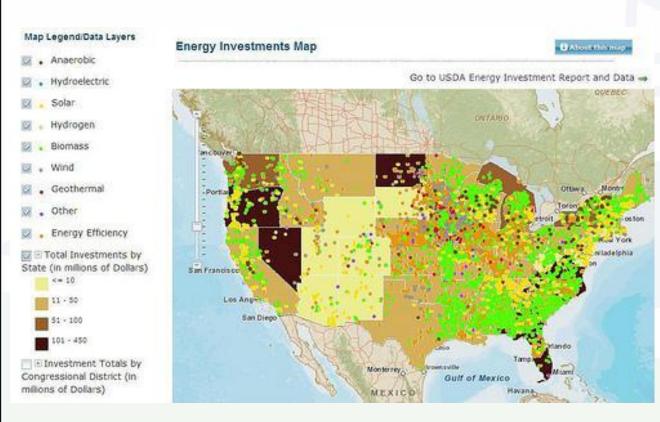
BioPreferred- Biobased Product Marketing

- To fully implement, program needsreauthorization
- The 800 'USDA
 Certified Biobased
 Products' as of Oct. 1,
 2012 are still valid
- BioPreferred Questions answered at our FAQ http://www.biopreferred.gov/FAQ.aspx





Enhanced USDA Energy Website 2.0 www.usda.gov/energy



- UpdatedInvestment Data
- Enhanced user operation, easy access links to a number of tools available across USDA agencies
- Additional data use tools for print screen reports, exporting formats



Enhanced USDA Energy Website 2.0 www.usda.gov/energy

- Next year's enhancements for the mapping feature of the Renewable Energy Tool will include additional data and information, beyond transportation, such as:
- Land use for producing biomass and energy crops
- Cost to produce alternative crops
- Competition for biomass
- Fueling stations
- State and Federal policy
- USDA guidelines for financial assistance
- State and Federal office locations for agriculture, energy, environmental protection, and conservation



USDA Sixth Regional Biofuels System

- Five-year research grant valued at roughly \$10 million to develop biomass supply chains for the production of liquid transportation and aviation biofuels in the Northeast
- Sixth such award made through USDA's Agriculture and Food Research Initiative (AFRI), aimed at developing regional, renewable energy markets, generating rural jobs, and decreasing America's dependence on foreign oil.
- Consortium will focus on the non-food biomass sources of willow, miscanthus and switchgrass, which can be grown on former strip mines and marginal floodplains



USDA Sixth Regional Biofuels System

- Team Lead by Dr. Richard from Penn State and include more that 20 University and Industry Partners will
 - address crop genetic development, harvesting, storage and processing techniques and sustainable production systems
 - develop sustainable production practices to improve yield by
 25 percent and reduce costs by 20 percent
 - enable private-sector partners to produce advanced ready-touse liquid transportation and aviation biofuels
 - provide business support to generate at least 100 supply contracts and support more than 50 new supply chain businesses to harvest, transport and preprocess biomass



Thank you!

For more information on USDA Energy Programs, visit: www.usda.gov/energy

