

USDA



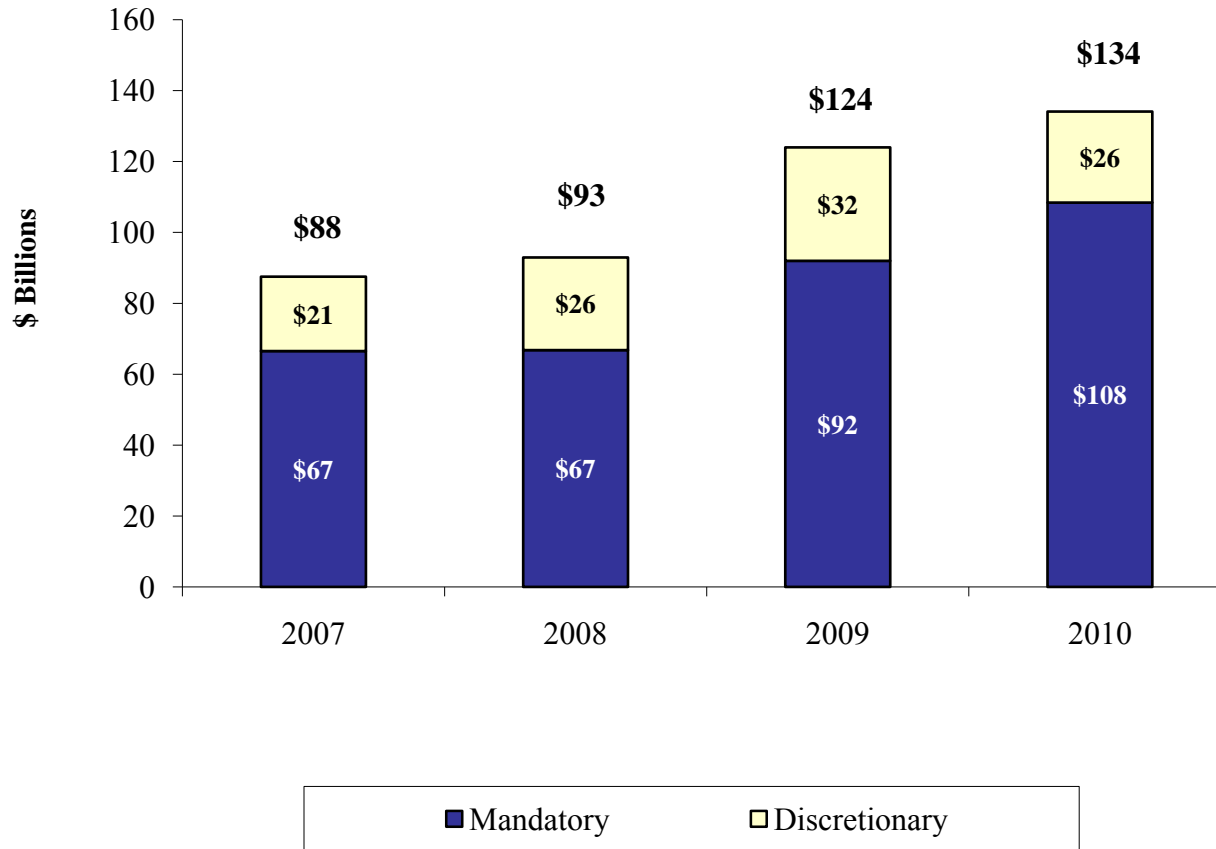
Renewable Energy Programs

June 2, 2009

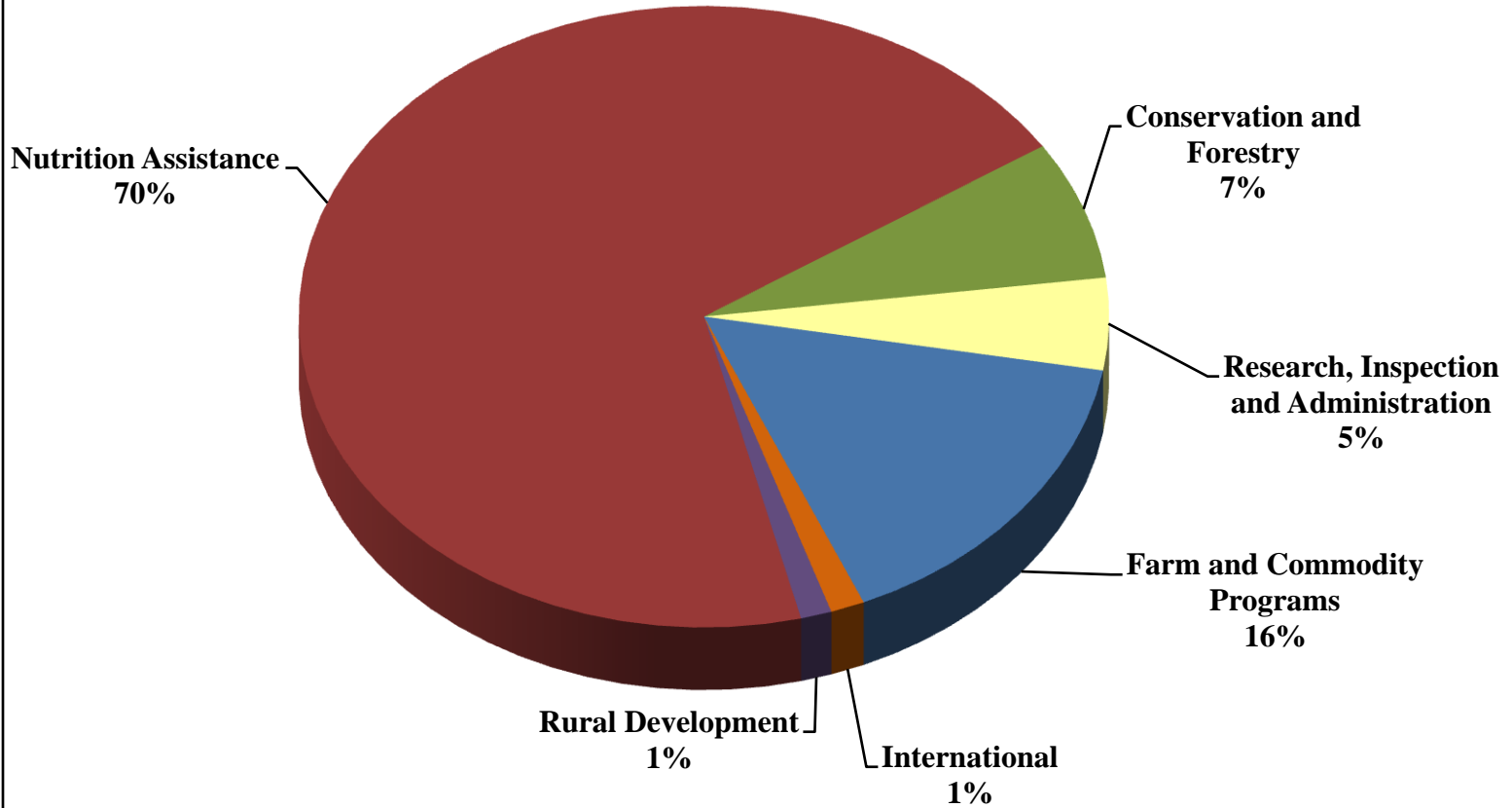
Budget Terminology

- **Budget Authority** - the authority to commit funds of the Federal Treasury. Congress provides this authority through annual appropriations acts and substantive legislation which authorizes direct spending
- **Program Level** - the gross value of all financial assistance USDA provides to the public
- **Discretionary Spending** - budgetary resources provided in appropriations acts
- **Mandatory Spending** - spending controlled by laws other than appropriations acts such as the Farm Bill

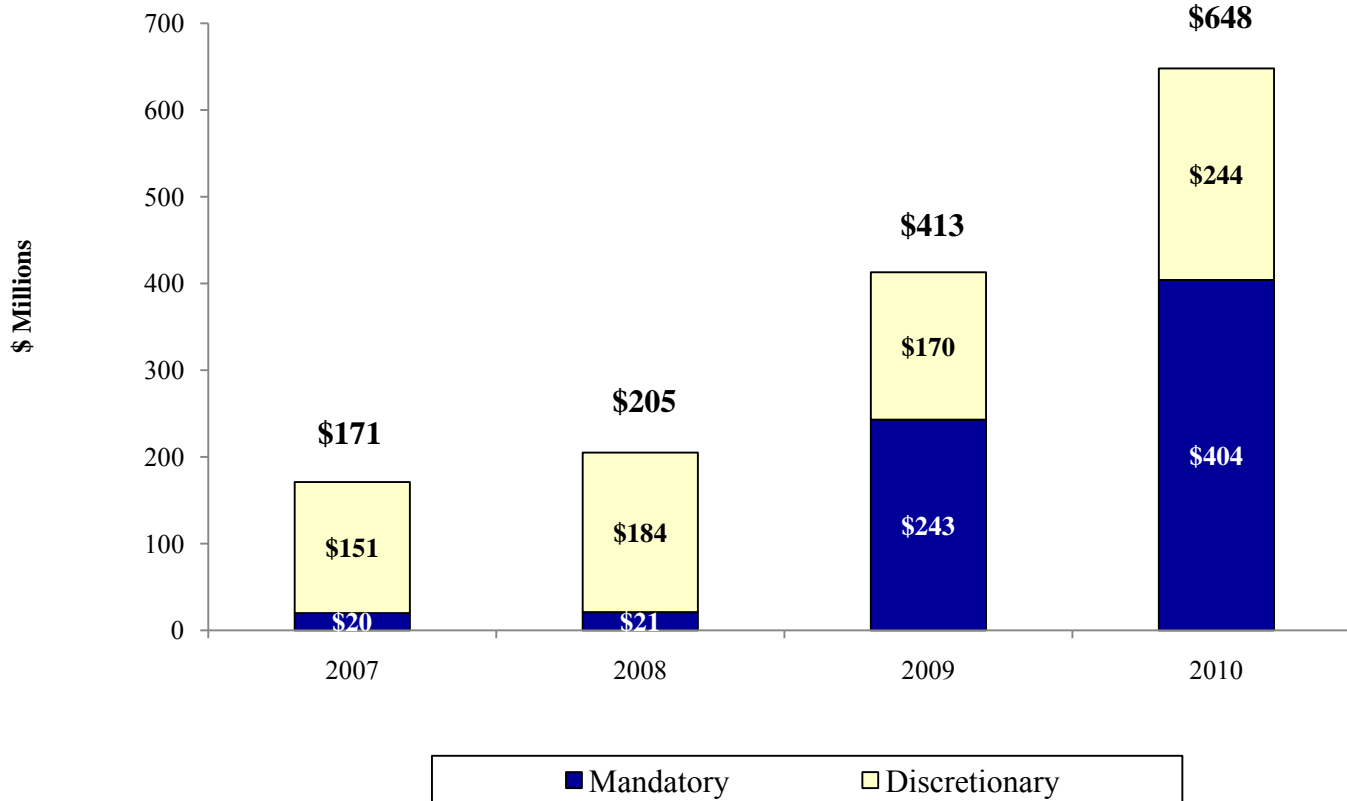
USDA Budget Authority



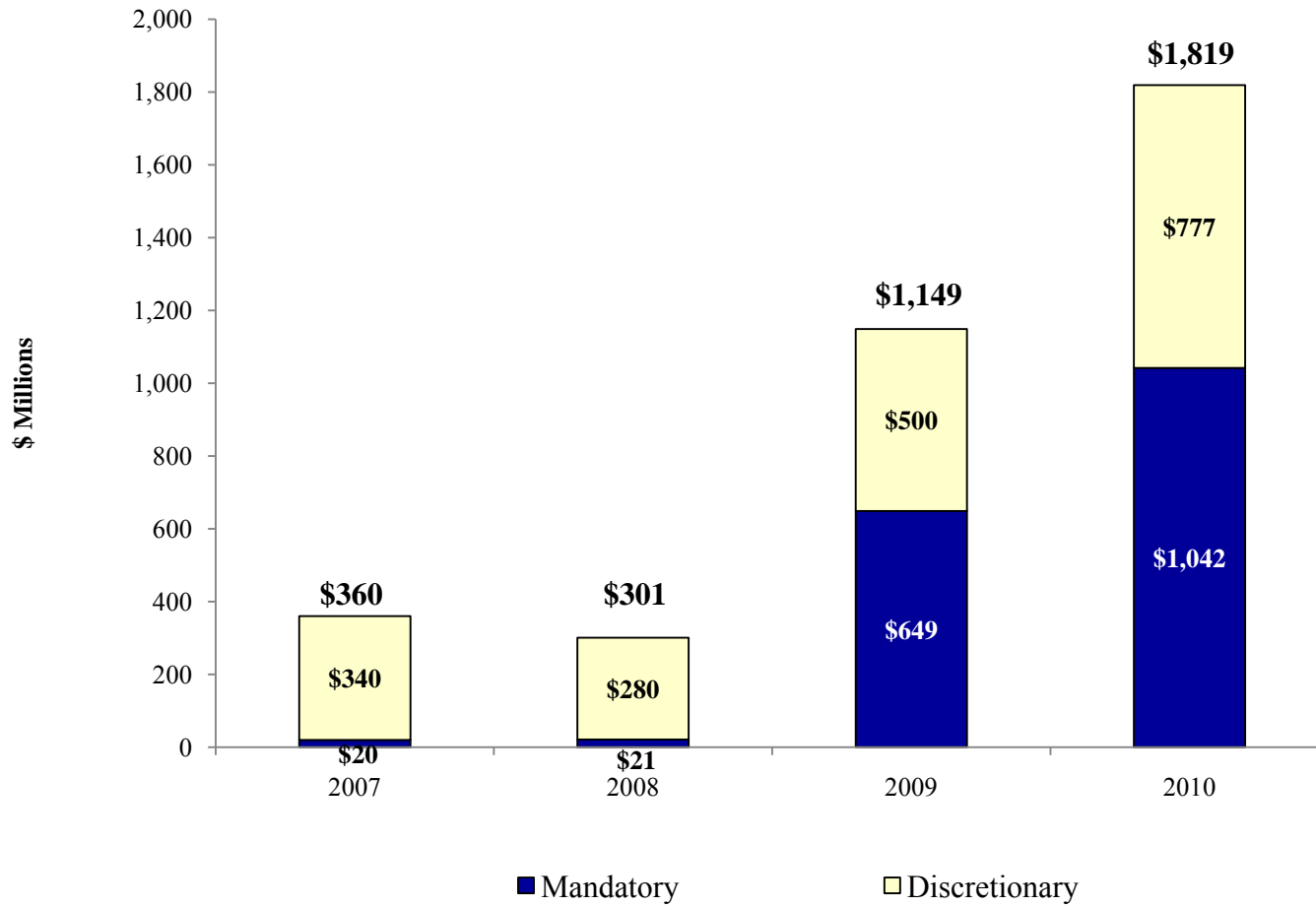
FY 2010 Budget Authority \$134 Billion



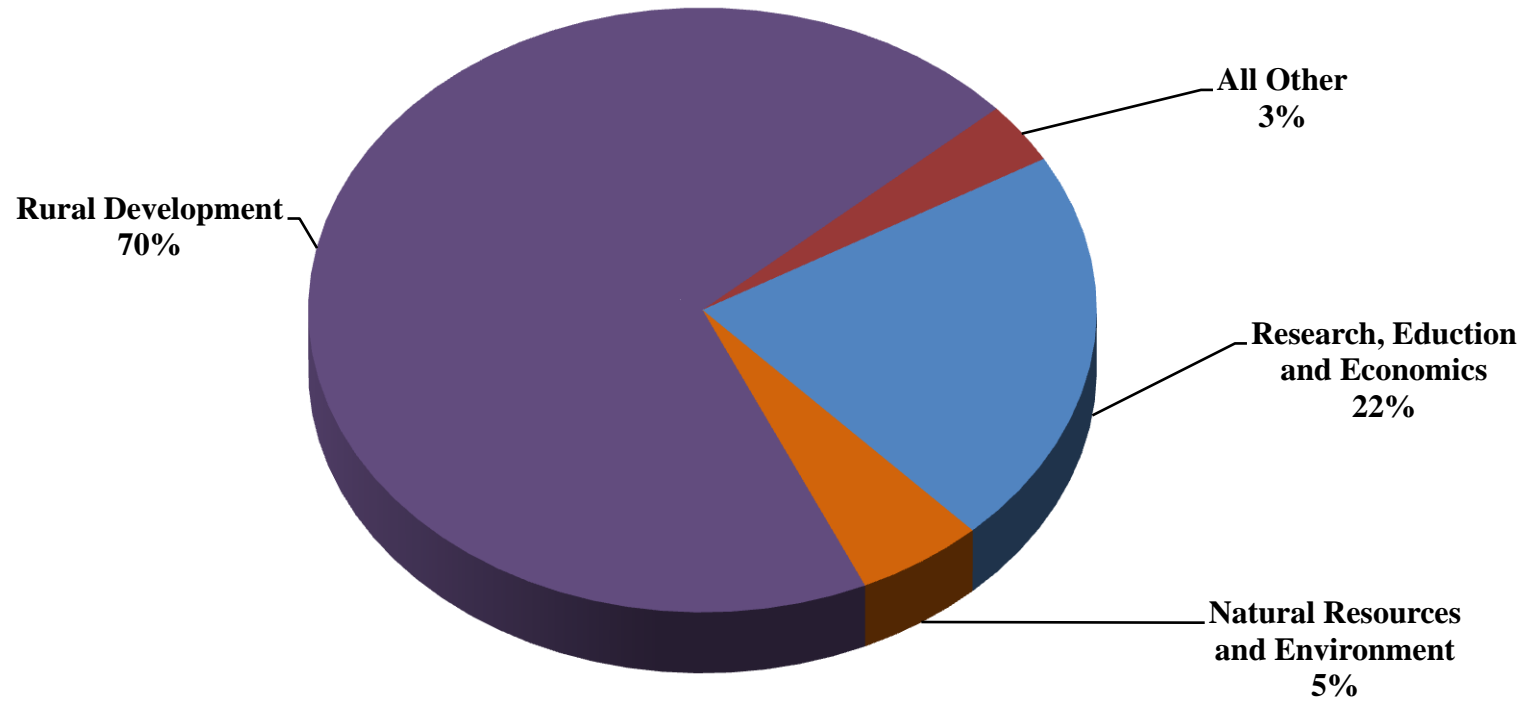
USDA Renewable Energy Budget Authority



USDA Renewable Energy Program Level



**FY 2010 Renewable Energy BA
\$648 Million**



USDA Agencies

- **Rural Development:** Rural Business Service; Rural Utilities Service
- **Research, Education and Economics:** Agricultural Research Service; Cooperative State Research, Extension, and Economics Service (National Institute of Food and Agriculture); Economic Research Service; National Agricultural Statistic Service
- **Natural Resources and Environment:** Forest Service; Natural Resources Conservation Service
- Farm Service Agency; Office of the Chief Economist; Departmental Administration

USDA Energy Council

- Coordinates USDA agencies and partner with other government entities
 - o To advance the deployment and commercialization of all forms of renewable energy
 - o To advance science and technology, as well as policy options, that enable the adoption and use of renewable energy and encourage energy savings
 - o To educate the public about and create awareness of renewable energy

USDA Renewable Energy Programs

Budget Authority

(Dollars in Millions)

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
Commercialization.....	\$45	\$60	\$244	\$478
Research & Development.....	114	120	142	149
Education & Outreach.....	5	4	4	4
Energy Efficiency & Conservation.....	7	21	23	17
Total.....	<u>171</u>	<u>205</u>	<u>413</u>	<u>648</u>

Commercialization

- Provide financial assistance to support the commercial development of new products, processes or new crops; create markets for renewable energy; support expanding proven technologies
- Include RD and Forest Service programs related to the production, distribution and marketing of renewable fuels and biobased products, development of business models and markets, transfer of technologies, extraction of mineral energy and transmission on public lands

Research and Development

- Basic and applied research with a primary objective of developing sustainable and novel uses, management and production strategies, systems and practices and conversion processes for agricultural and forestry feedstocks/commodities into nonfood, nonfeed products
- Projects proposed for the primary purpose of testing, establishing and/or demonstrating the technical and economic feasibility of producing a new product, improving an existing product or process, or processing a feedstock/commodity in a new way
- Agencies involved include ARS, CSREES/NIFA, and the Forest Service

Outreach and Education

- Provide education, information and technical assistance to USDA customers, stakeholders and the general public
- Facilitate the transfer of new technology and products to primary users such as regulatory agencies and private industry
- Disseminate information among scientists, farmers, ranchers, foresters and the general public
- Encourage the use of new research results and technologies, manage risks, and expand awareness, acceptance and use of products, processes and technologies

Energy Efficiency and Conservation

- Help customers improve energy efficiency of day-to-day practices and increase energy conservation without reducing the productivity of the agricultural and forestry sectors
- Agencies include NRCS

FY 2009 Activities

- USDA has been a key participant in an **Energy and Environment Cabinet Working Group**. The group encompasses agencies that have authorities and responsibilities for conservation of private and public lands, as well as energy, climate and other natural resource concerns. The group reflects a new approach of bringing key Departments and agencies together to exchange views, better coordinate, and communicate actions within the Executive Branch.

FY 2009 Activities (cont.)

- Pursuant to a May 5 Presidential Directive, USDA formed a **Biofuels Interagency Working Group** with EPA and DOE to expedite and increase production of and investment in biofuel development efforts.
- In collaboration with the Department of Energy, USDA has made \$25 million available for **research and development** of technologies and processes to produce biofuels, bioenergy, and high-value biobased products. The projects will place special emphasis on feedstocks development; Biofuels and biobased products development; and, Biofuels development analysis.

FY 2009 Activities (cont.)

- In January, approved the first ever loan guarantee to a commercial-scale cellulosic ethanol plant. The \$80 million loan to Range Fuels Inc., Soperton, Ga., comes from the **Section 9003 Biorefinery Assistance Program** authorized by the 2008 Farm Bill.
- The project is expected to produce an estimated 63 jobs. When fully operational in 2010, the plant is expected to produce approximately 20 million gallons of cellulosic ethanol per year.

FY 2009 Activities (cont.)

- Also a first, USDA made grant funding available in March through the **Rural Energy for America Program** to help agricultural producers and rural small businesses obtain energy audits to identify ways to improve energy efficiency.
- The audits are intended to help rural small businesses and agricultural producers determine where to make changes in their operations to enable them to reduce energy consumption. Audits are required for energy efficiency projects funded through REAP that exceed \$50,000.

FY 2010 Budget Request

- Continue to support the **2008 Farm Bill Energy Title**, including increased funding for the Rural Energy for America Program and the Biorefinery Assistance Program
- Enhance **bioenergy research** through the development of new varieties of feedstocks as well as technologies that will result in the sustainable, efficient and economic production practices of biofuels

FY 2010 Budget Request (cont.)

- Additional information on OBPA's website:

<http://www.obpa.usda.gov/>

- Contact information:

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