

Renewable Natural Resources Foundation

Biomass Energy

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USDA



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Biofuels Interagency Working Group

On May 5, 2009, President Obama signed the directive establishing a new working group to be chaired by the Secretaries of Energy and Agriculture and the Administrator of the EPA.

The group will work with the National Biomass Research and Development Board on:

- Creating a *biofuel market development program* to boost next-generation biofuels, increase use of flex-fuel vehicles, and assist retail market development
- Coordinating infrastructure policies
- New policy options to promote sustainability



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Farm Bill-Title IX-Energy

- Biomass Crop Assistance Program (BCAP)
- Biorefinery Assistance Loan Guarantee Program
- Repowering Assistance Program
- Bioenergy Program for Advanced Biofuels
- Rural Energy for America Program (REAP)
- Biomass Research and Development

Farm Bill

Energy Title, Section 9011

Biomass Crop Assistance Program

- Payments to producers of renewable biomass crops
- Establishment, Production, Collection, Harvest, Storing and Transportation
- Funding: Commodity Credit Corporation funds available in each of FY 08 – 12
- Awards to date: 250
- FY 10 Outlook - Rule Making



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Farm Bill- Title IX

Biorefinery Assistance Program (Section 9003)

- Provides grants for demonstration scale and loan guarantees for commercial scale biorefineries that produce advanced biofuels
- Grant Limitations: Pilot/Demonstration Scale – Up to 50% of project costs



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Farm Bill- Title IX Biorefinery Assistance Program (Section 9003) - (Cont.)

- **Guaranteed Loan Limitations: Up to \$250 Million for Biorefineries – three awards to date (\$80 m, \$54.5 m and \$25 m)**
- **Mandatory Funding:**
 - **FY 2009 - \$75 Million**
 - **FY 2010 - \$245 Million available until expended**

Farm Bill-Title IX Repowering Assistance Program (Section 9004)

- Provides payments to biorefineries (in existence when Farm Bill was passed) to replace fossil fuels used to produce heat or power in biorefineries with renewable biomass
- Provides \$35 million for FY 2009 that will remain available until the funds are exhausted- \$20 million was made available in FY 09
- Five application pending for \$16.5 million
- Authorizes additional funding of \$15 million per year from FY 2009 through 2012
- FY 10 Funding- Rule Making



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Farm Bill-Title IX

Bioenergy Program for Advanced Biofuels (Section 9005)

- Payments to eligible producers to support and ensure expanded production of advanced biofuels
- Existing production vs. new production
- Mandatory Funding:
 - \$55,000,000 FY 2009 (only \$30 million was made available)
 - \$55,000,000 FY 2010 (plus the \$25 million carry over from FY 09)
 - \$85,000,000 FY 2011
 - \$105,000,000 FY 2012
- FY 09- 160 producers(89 biodiesel;48 biogas;19 non-corn ethanol;4 wood pellets)
- Discretionary Funding of up to \$25 million each FY 2009-2012
- FY 10 Funding- Rule Making



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2008 Farm Bill

Rural Energy for America Program (REAP)

(Section 9007)

- Formerly Section 9006 – Renewable Energy Systems and Energy Efficiency Improvements Program
- Establishes a grant and loan guarantee program to assist agriculture producers and rural small businesses in purchasing renewable energy systems and making energy efficiency improvements
- Establishes a grant program for energy audits, technical assistance and feasibility studies



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Farm Bill-Title IX

Section 9007 -- Rural Energy for America Program (REAP)

Continued

- Loan Guarantee Limits:
 - \$25 Million Cap
 - Cap Federal share at 75% of project costs
- Mandatory Funding:
 - FY 09 - \$55 Million
 - FY 10 - \$60 Million
 - FY 11 - \$70 Million
 - FY 12 - \$70 Million
- Discretionary funding of up to \$25 million each fiscal year 2009 -12
- FY 10- Rule Making/Notice of Solicitation of Applications pending



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Section 9006/9007 Funding Activity FY 2003 thru 2009

Renewable Energy/Energy Efficiency

Loans, Grants &
Combos

<u>Technology</u>	<u>No.</u>	<u>Amount</u>	<u>Leveraged</u>
Biomass	320	\$89,003,200	\$380,365,833
Wind	361	\$73,651,189	\$641,098,744
Solar	274	\$14,077,343	\$37,930,249
Geothermal	99	\$3,080,395	\$8,374,339
Hybrid	22	\$2,935,648	\$88,720,575
Hydroelectric	4	\$1,064,432	\$2,475,253
Technology Subtotal	1,080	\$184,802,207	\$1,156,964,993
Energy Efficiency	2,428	\$80,566,465	\$192,211,677
EA/REDA	22	\$2,173,631	
Feasibility Studies	50	\$1,244,600	
Other Subtotal	2,500	\$ 83,884,496	\$192,211,677
Grand Total	<u>3,580</u>	<u>\$268,786,903</u>	<u>\$1, 349,179,670</u>



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Biomass Research and Development Initiative- FY 09 Funding Results

- Over 900 pre-applications received
- 135 were invited to submit a full application
- 12 applications totaling \$24.4 million were awarded



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Biomass Research and Development Initiative- FY 09 Funding Results (continuation)

Technical Areas:	Number and Dollar Amount	Targeted Percent	Actual Percent
Biofuel and Biobased Products	6 - \$10,891,506	50%	44%
Feedstock Development	3 - \$8,511,263	35%	35%
Biofuels Development Analysis	3 -- \$ 5,079,425	15%	21%
Totals:	12 -- \$24, 482,194	100%	100%



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Any Questions?



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