



10-21-09

## **Op-Ed: Is it the end of the road for the biofuels bus?**

By John Campbell

The biofuels bus is in the proverbial ditch. Public support has eroded and profits are scarce. Regulatory agencies such as the US Environmental Protection Agency (EPA) and California Air Resources Board (CARB) have put the brakes on corn ethanol and soy biodiesel.

Some say we were sabotaged. Sabotaged we may have been but further investigation shows that we were also traveling under the influence. We were traveling under the influence of dreamers, schemers and tin men. This crowd knew no limits. It was a party that would never end. Money was easy and profits were fat. Every feasibility study concluded that another ethanol or biodiesel plant was just what we needed.

If that were not enough, along comes George W. Bush who threw free party favors onboard. The President said we could break our "addiction to oil" with billions of gallons of new renewable fuels. That was all the party bus needed to hear. Any last sense of propriety was abandon. Let the good times roll!

Congress did not want to miss out. They hopped on board and before you knew it we had a new law that out did President Bush. "Thirty six billion gallons by 2022" was the party song. We were all off to biofuels "Neverland".

Trouble is that folks started to notice the party bus. Some of the passengers were getting nervous, too. Not only that, a perfect commodity storm was brewing outside as we careened along. Oil prices were taking off and pulling everything up with them – corn, ethanol, soybeans – anything that could be burned got sucked up in the whirlwind.

Livestock producers and grocery stores started blaming the crazy party bus for the storm. Environmentalist saw an opportunity to hop off -- and hop off they did. So did most of Congress. While they were getting off the bus they threw some nails under the tires. These nails took the form of fine print in the new renewable fuel law and a big anti-ethanol media campaign.

Sure enough, we ran over the nails, blew out the tires and ended up in the ditch. Dazed, we stumbled out the emergency exits wondering what happened. Several passengers were injured and taken off to bankruptcy hospital.

Some of the injured have already returned to the site of the crash - glassy eyed “zombie” producers – their bodies taken over by oil companies.

Some of the passengers ran ahead and found that the bridge on the roadmap to Neverland - never was. They report back that there was no way to get to the 36 billion gallon Neverland in the first place. Some passengers are trying to throw planks called E12 and E15 across the rushing river. A few might make it if these planks don't get swept away. Much stronger planks called E30 and E40 will be needed to get the chosen across and on their way.

The oldest ethanol and biodiesel passengers on the bus just found out that they were not intended to go to “Neverland” in the first place. They are going to get pushed off the bus before the river (about half way) because they are not the kind of new renewables desired on the other side. Only renewables from things like grass and algae are good enough to get into Neverland.

The commodity storm has passed, but our bus is still mired in the water and mud. Drivers and passengers are working feverishly to push, dig and pull the bus out of the ditch (except for the zombies). EPA could unplug the culverts and drain the ditch thus making it easier to get back on the road, but so far they stand with arms folded – contemplating the situation.

Is it the end of the road for the biofuels bus? Maybe – we had a good time getting this far – until the crash. A lot of fair weather friends have wondered off to do other things.

Folks who threw the nails under the tires say they might help push but they don't work for free. And, they will not help the older passengers. Their price is for all the passengers to empty their pockets and hand over valuables. They have a climate change train to pay for and they need help. So far, the passengers have said “no deal” because the climate change train would flatten millions of acres of corn and soybean land leaving none for the biofuels bus.

EPA might drain the ditch. We might get the bus pushed back up on the road by ourselves. Even so, ahead lays the roar of the river with no bridge and behind, the scream of the climate change train. A tricky passage to say the least.

---

John Campbell is Ag Processing Inc (AGP) Senior Vice President, Industrial Products and Government Affairs and a former Deputy Under Secretary, International Affairs and Commodity Programs, USDA.