



Obama Administration releases clean energy plan, RFS2

By Sara Wyant

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Washington, Feb. 4. At a meeting with a group of governors on Wednesday, President Barack Obama outlined several measures he plans to include in his clean energy 'game plan', including the long-awaited renewable fuels standard and the biomass crop assistance program rule.

The President's Biofuels Interagency Working Group also released its first report – Growing America's Fuel, which lays out a strategy to advance the development and commercialization of a sustainable biofuels industry to meet or exceed the nation's biofuels targets. And the President announced creation of an Interagency Task Force on Carbon Capture and Storage to develop a federal strategy to speed the development and deployment of clean coal technologies. The President calls for five to ten commercial demonstration projects to be up and running by 2016.

"I am convinced that America can win the race to build a clean energy economy, but we're going to have to overcome the weight of our own politics," President Obama told the governors. "We have to focus not so much on those narrow areas where we disagree, but on the broad areas where we agree."

Here's a summary of the President's clean energy announcements:

Renewable Fuels Standard: After a two-month delay, EPA finalized a rule implementing the long-term renewable fuels mandate of 36 billion gallons by 2022 established by Congress. The Renewable Fuels Standard requires biofuels production to grow from last year's 11.1 billion gallons to 36 billion gallons in 2022, with 21 billion gallons to come from advanced biofuels. Increasing renewable fuels will reduce dependence on oil by more than 328 million barrels a year and reduce greenhouse gas emissions more than 138 million metric tons a year when fully phased in by 2022, according to the White House. For the first time, some renewable fuels must achieve greenhouse gas emission reductions - compared to the gasoline and diesel fuels they displace – in order to be counted towards compliance with volume standards.

Under the new RFS, EPA said 12.95 billion gallons of biofuels will have to be added this year, up 17% from last year. Some 6.5 million gallons must come from cellulosic ethanol — much less than the original goal of 100 million gallons and the 250 million gallon goal for next year. And 1.15 billion gallons must come from biomass-based diesel over the two years from 2009 to 2010.”

While several agricultural groups applauded the announcement, they also criticized the inclusion of “international indirect land use change” (ILUC) in the Environmental Protection Agency’s calculation of greenhouse gases.

According to EPA’s modeling, corn-based ethanol achieves a 21% greenhouse-gas reduction compared to gasoline when international indirect land use change is included. Without ILUC, corn-based ethanol achieves a 52% GHG reduction, says the Renewable Fuels Association.

Cellulosic ethanol achieves GHG reduction of 72% to 130% depending upon feedstock and conversion process. All GHG reductions for ethanol exceed those mandated by the RFS2.”

To read the full rule, please click [HERE](#). To read more about industry reaction, go to: www.Agri-Pulse.com

Biomass Crop Assistance Program: USDA has proposed a rule for the Biomass Crop Assistance Program (BCAP) to convert biomass to bioenergy and bio-based products. BCAP is authorized to fund two main types of activities. First, it provides funding for agriculture and forest land owners and operators to receive matching payments for eligible biomass materials sold to qualified biomass conversion facilities for the production of heat, power, bio-based products or advanced biofuels. The payment rate is intended to assist producers with the cost of collection, harvest, storage and transportation of the biomass to the facility, for up to two years. This is the part of the program covered by President Obama's Presidential Directive. Additionally, BCAP will provide funding for producers of eligible renewable crops within a select geographical area to receive payments up to 75 percent of the cost of establishing the crop and annual payments for up to 15 years for crop production. A copy of the proposed rule is available online at www.fsa.usda.gov/bcap.

Biofuels Working Group: In May, President Obama established the Biofuels Interagency Working Group – co-chaired by USDA, DOE, and EPA, and with input from many others – to develop a comprehensive approach to accelerating the investment in and production of American biofuels and reducing our dependence on fossil fuels. Today the Working Group released its first report: Growing America’s Fuel – a new U.S. Government strategy for meeting or beating the country’s biofuel targets. The report is focused on short term solid government solutions supporting the existing biofuels industry, as well as accelerating the commercial establishment of advanced biofuels and a viable long-term market by transforming how the U.S. Government does business across Departments and using strategic public-private partnerships. To read the full report, please click [HERE](#).

Federal Strategy on Carbon Capture and Storage: The President's memorandum establishes an Interagency Task Force on Carbon Capture and Storage to develop a comprehensive and coordinated federal strategy to speed the development and deployment of clean coal technologies. The Task Force will be co-chaired by representatives of from DOE and EPA and include participants from at least 9 different agencies and offices. The Task Force shall develop within 180 days a plan to overcome the barriers to the deployment of widespread affordable CCS within 10 years, with a goal of bringing five to ten commercial demonstration projects on line by 2016.

The plan should address incentives for CCS adoption and any financial, economic, technological, legal, institutional, or other barriers to deployment. The Task Force should consider how best to coordinate existing federal authorities and programs, as well as identify areas where additional federal authority may be necessary. The Task Force shall report progress periodically to the President, through the Chair of the Council on Environmental Quality. To read the full memorandum, please click [HERE](#)

To read reaction from farm groups and trade associations on these proposals, go to www.Agri-Pulse.com

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