



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<http://ageconsearch.umn.edu>
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

Biomass: New Market for Farmers and Ranchers

Roger Johnson, President
National Farmers Union





National Farmers Union

- Founded over 100 years ago
- Members in all 50 states
- Mission: To advocate for the economic and social well-being, and quality of life of family farmers, ranchers, fishermen and consumers and their communities through education, cooperation and legislation. NFU advocates sustainable production of food, fiber, feed and fuel



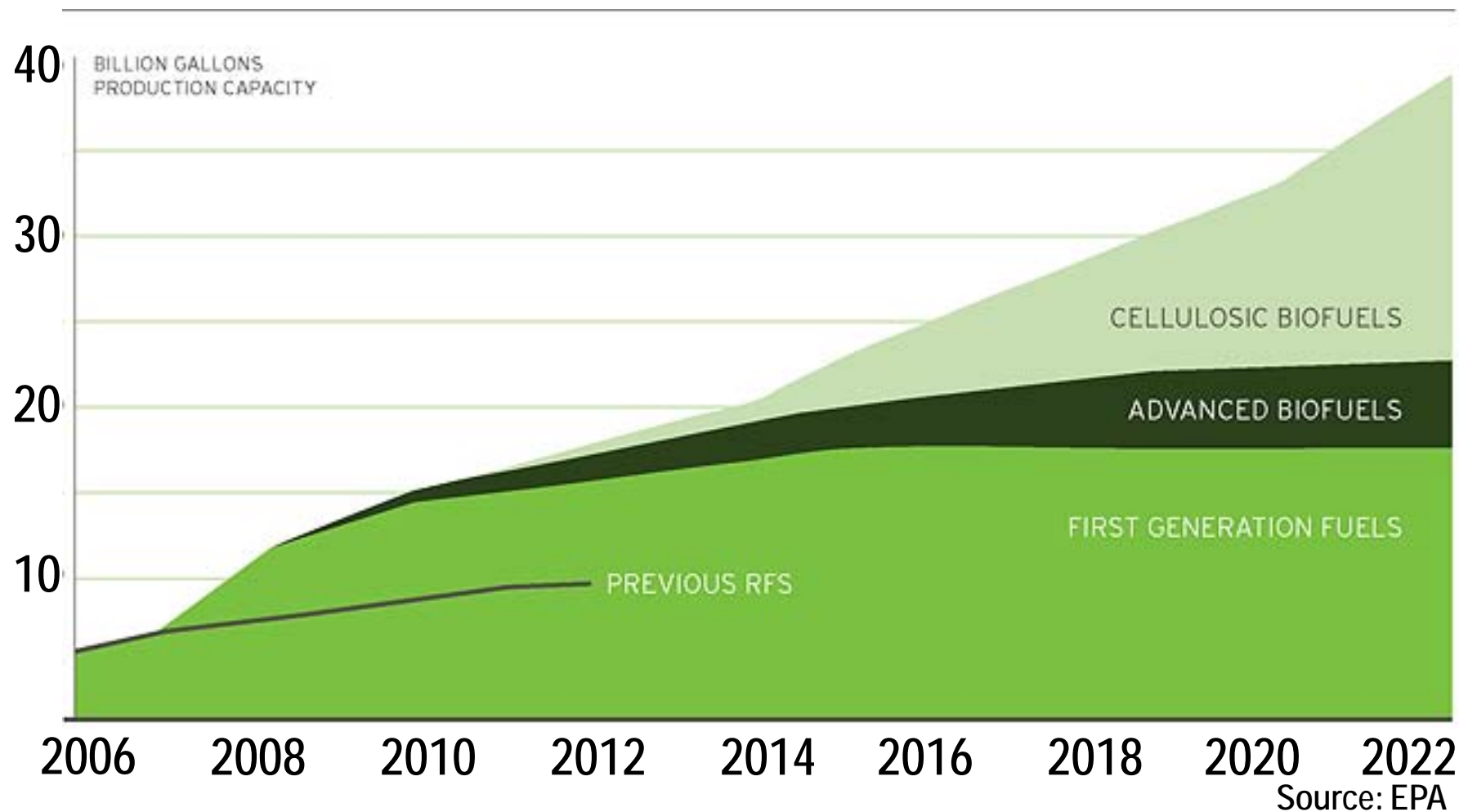


Current Opportunities for Farmers Through Government Incentives

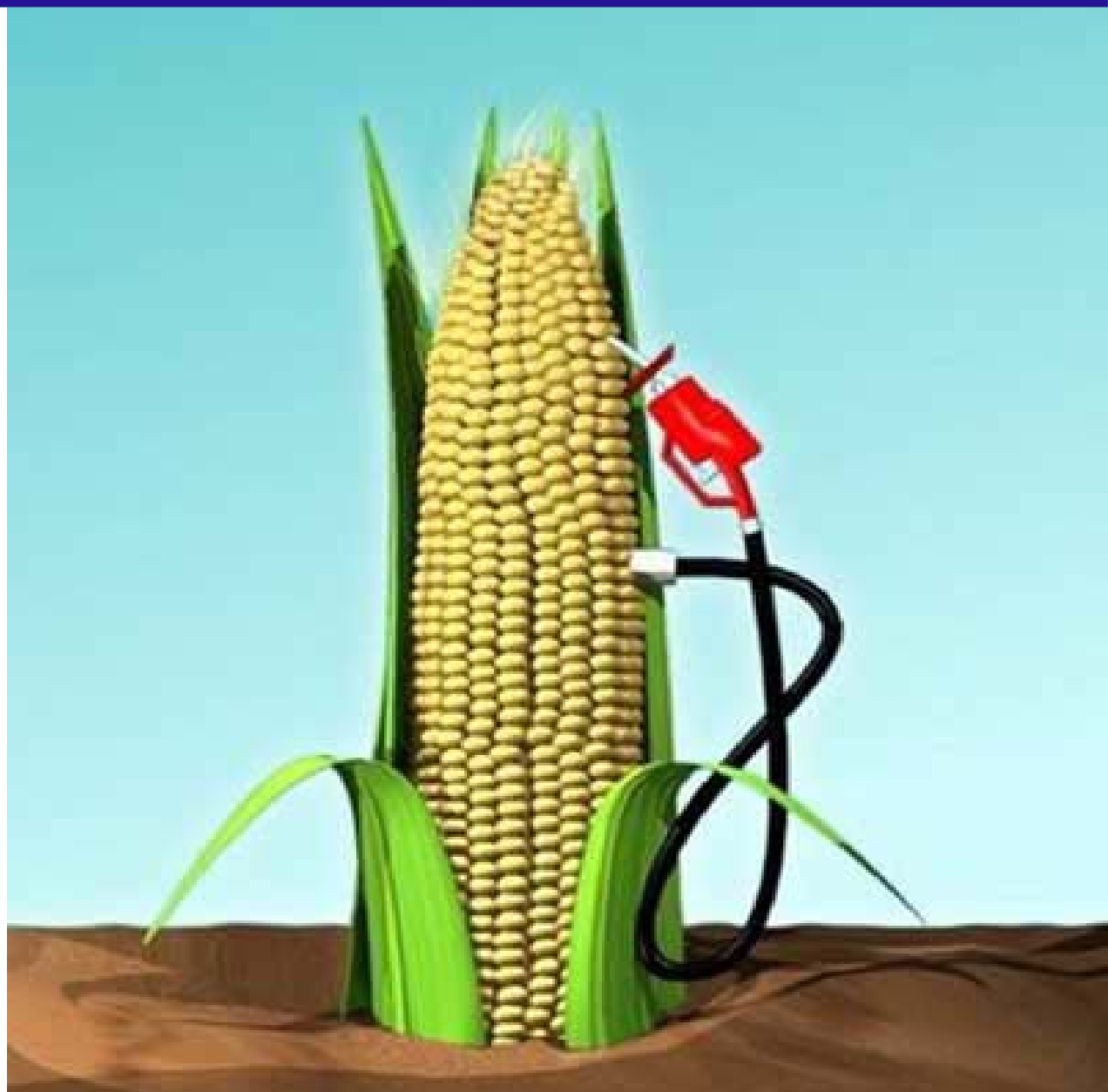
1. Renewable Fuel Standard (RFS)
2. E15
3. Farm Bill Programs
 - REAP
 - BCAP



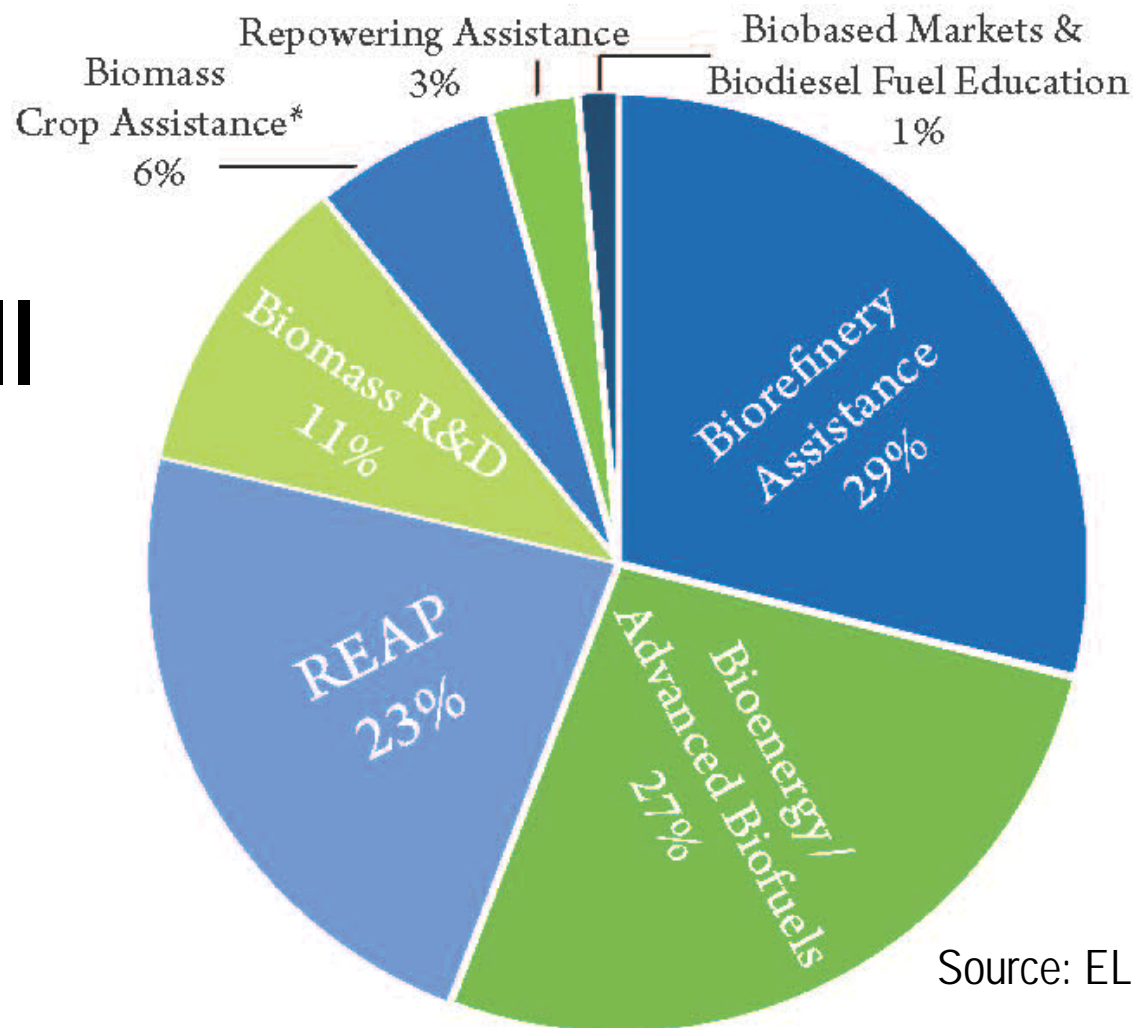
Renewable Fuel Standard



E15



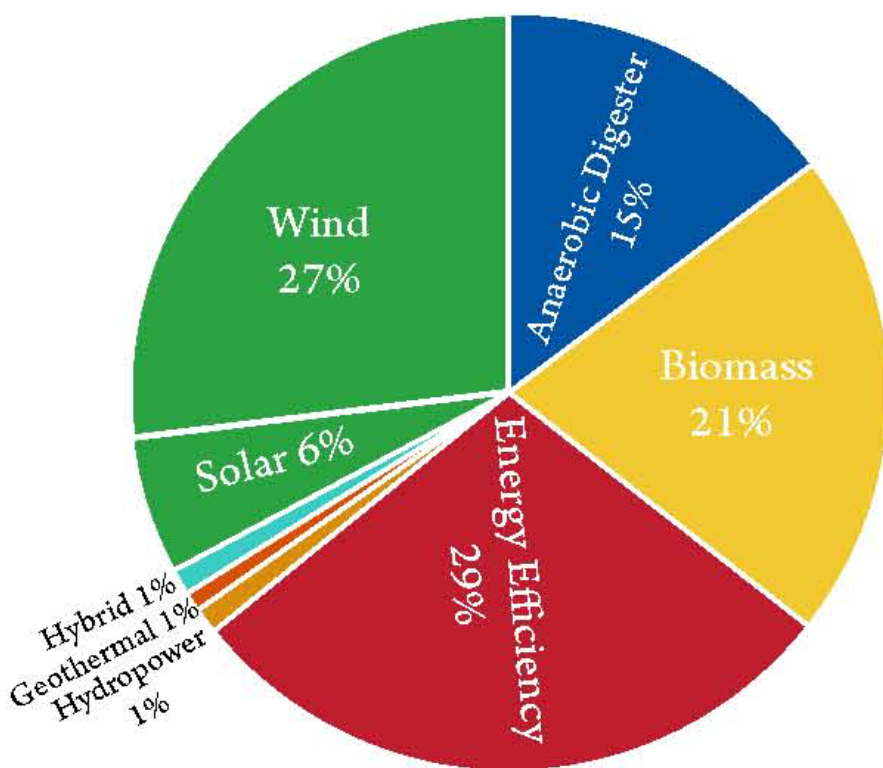
2008 Farm Bill Energy Title: Mandatory Funding



*Congress did not limit BCAP funding. While this chart uses the federal budget estimate of \$70 million over 4 years, actual BCAP spending will be much larger.

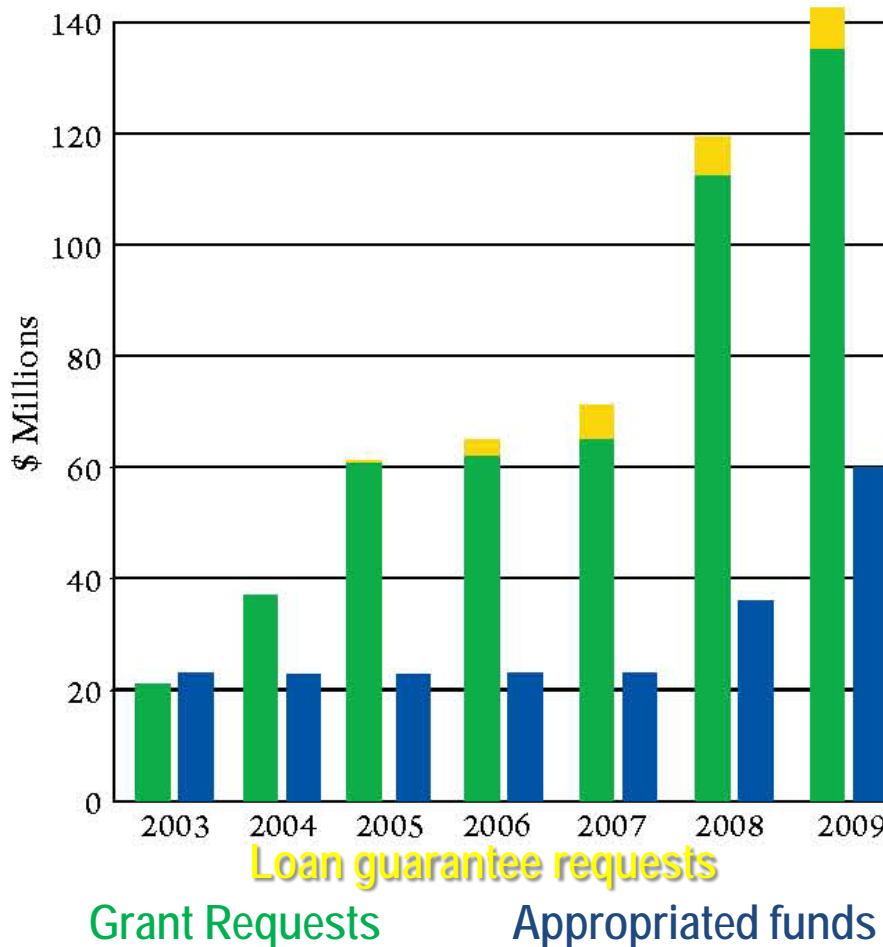
Farm Bill: REAP

REAP Funding Totals
by Technology 2003-2009



Source: ELPC

REAP Popularity
Outpaces Resources





Farm Bill: Biomass Crop Assistance Program





How to Further the Industry

Protect Farm Bill Programs

- Biorefinery Assistance
- Bioenergy Program for Advanced Biofuels
- Rural Energy for America Program (REAP)
- Biomass Research and Development





How to Further the Industry

Protect Farm Bill Programs

- Biomass Crop Assistance Program (BCAP)
- Repowering Assistance
- Biobased Markets Program
- Biodiesel Fuel Education Program



How to Further the Industry

Increased Infrastructure

- 1) Pipelines
- 2) Railroads
- 3) Blender pumps
- 4) E85 filling stations
- 5) Expanded RFS creating separate standard for cellulosic biofuels
- 6) Flex-fuel vehicles



EPA Tailoring Rule

- Defines which types of emitters will need permits for greenhouse gas emissions under the Clean Air Act
- Aims to protect small producers of greenhouse gases such as farms and instead target large industrial plants
- Originally included biomass but EPA recently exempted biomass from permitting requirements for three years
- Tailoring Rule represents a departure from federal policy which had previously considered biomass 'carbon neutral'



EPA Tailoring Rule

NFU Believes:

- Carbon policy should be based on science
- Different biomass feedstocks have different carbon emission cycles
- EPA must continue to exempt biomass from permitting requirements



How to Further the Industry

The Role of Co-ops

- Place alternative marketing devices for alternative fuels such as E85/biodiesel and blender pumps at every cooperative retailer in the nation

We support:

- Consumer-owned utilities uniting to develop & demonstrate economic feasibility of renewable energy systems
- Cooperatives providing consumers incentives for using ethanol or biodiesel-enhanced fuels



Thank You

Roger Johnson, President
National Farmers Union

