3/28/2011 Press Release SAFESTA Serves as Troja...

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Subject: Press Release SAFESTA Serves as Trojan Horse Thwarting Renewable Intent:

Advanced Biofuels USA

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For Immediate Release

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SAFESTA, the "Securing America's Future with Energy and Sustainable Technologies Act" Is a Trojan Horse Says Advanced Biofuels USA

According to Bob Kozak of Advanced Biofuels USA, the biofuels portions of legislation recently filed by US Senators Amy Klobuchar (D-MN) and Tim Johnson (D-SD), will serve as a Trojan Horse and work against the goal of increasing the production and use of renewable energy, such as biofuels. Proposed reductions in funding, inadequate funding of National Science Foundation studies, the introduction of an overly complex vehicle fuel use mandate, and ill-defined definitions will thwart the intent of S.559, SAFESTA or "Securing America's Future with Energy and Sustainable Technologies Act" to enable the US to decrease fossil fuel use in favor of fuel from renewable sources. It sounds good; but closer scrutiny reveals devastating potential consequences.

Open Fuel Standard

A Federal mandate would be created to require all vehicles sold in the United States in 2021 to use fuel types (biofuel, natural gas, and electric) defined by the government. (30% would be required by 2013, 50% by 2015, 80% by 2017, and 100% by 2021.) This attempt to increase "fuel-choice-enabling"

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automobiles" which appear to be primarily plug-in hybrids, electrics, and some new "less than 50 percent fossil fuel" technologies would force a sizeable portion of the vehicle buying public to purchase vehicles they have already turned down. As an alternative, to increase the demand for available renewable biofuels, it would seem advantageous to work with the car industry to introduce ethanol/butanol Flex-Fuel vehicles, based on available technology, that would produce real-world E85/B_{II}85 mileage very similar to optimized E10 mileage and let the market take over to get them sold.

Indirect Land Use Change

For example, with regard to the study of greenhouse gas emissions related to international indirect land use change: "With NAS studies "you get what you pay for." NAS is as expensive as a high-end consulting firm and a study should be funded accordingly. Therefore, an adequate appropriation for the NAS report should be included in the legislation. If this is not done, the budget for the report will instead come out of the discretionary budgets of DOE, USDA, and EPA. Given the cuts that have been made to their budgets, there would be very little left for the IILUC NAS report. ..."

Definitions of Renewable Biomass

And with regard to an NAS study to better define renewable biomass: "Advanced biofuel research and development is at the stage where very few feedstocks and conversion processes have been eliminated. While this is a very exciting time for researchers, this amount of uncertainty makes it virtually impossible for a limited group of NAS panel members operating on a limited budget and without access to most proprietary research to correctly predict where the advanced biofuels industry will be in five or ten years."

Loan Guarantees

Inclusion of the terms "infrastructure" and "clean energy technology" in the loan guarantees section would open this to include funding for non-renewable energy projects such as electric vehicle power lines, electric vehicle recharging stations, and non-renewable natural gas pipelines that are considered "clean energy technology" by US legislative and regulatory definitions.

Definitions

The inclusion of M85 [85% Methanol] in the definition of alcohols, while attempting to acknowledge the existence of fuel alcohols other than ethanol, creates a serious conflict if the goal of this legislation to increase the use of renewable fuels. Specifically, virtually all methanol currently being delivered to the United States for chemical purposes and planned for future fuel use is produced from non-renewable natural gas.

In addition, bio-isobutanol (a C-4 alcohol) is now being produced by several US firms and will become a commercial renewable bio-alcohol fuel within the time frame of this legislation. Bio-isobutanol has similar combustion properties to ethanol. Therefore, it would seem logical to include bio-isobutanol, and other higher number bio-alcohols, in this and all alcohol definitions used in this legislation.

In the new vehicle categories referencing fossil fuel use per mile, by not listing the fossil fuel used to generate the electricity used by electric or plug-in-hybrids as part of the total fossil fuel used, these definitions could allow for vehicles that would in fact use much more fossil fuel than intended. In addition, for the sake of consistency, all vehicles or fuels listed in this section should be subject to the well-to-wheel energy and emissions requirements placed on biofuels by the 2007 Energy Act and subsequent regulations.

Special Rule for Cellulosic Biofuel Producer Credit

The purpose of this definition appears to limit applicability to only biofuel produced in the United States

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which is in keeping with the goal of the proposed legislation. However, the wording, "unless such cellulosic biofuel is produced in the United States," leaves out where the biomass comes from. Without reworking the phrase to something like, "unless such cellulosic biofuel [and biomass used to produce the biofuel] is produced in the United States," cellulosic biofuel produced from biomass that was grown in another country would be eligible for the cellulosic ethanol tax credit.

In general, the biofuels sections of this legislation present laudable aspirations; however, the specific language hides consequences that may actually work against the stated intent, "to promote the production and use of renewable energy" by, instead, favoring fossil fuel production and use. Read the <u>full analysis</u> at http://advancedbiofuels-perspective

Proposed legislation: http://www.gpo.gov/fdsys/pkg/BILLS-112s559is.pdf
Advanced Biofuels USA, a nonprofit educational organization, advocates for the adoption of advanced biofuels as an energy security, military flexibility, economic development and climate change mitigation solution. Dedicated to promoting the understanding, development and use of advanced biofuels, the Advanced Biofuels USA web site serves as a library on biofuels and advanced biofuels for everyone from teachers and students to reporters, producers, industry professionals, opinion-leaders, policy advocates and decision-makers.

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