

The Fresno Bee

Advanced Biofuel Industry Ready to Meet Economic, Environmental Goals, BIO

Says - Tuesday, Mar. 17, 2009

WASHINGTON -- With appropriate policies to help overcome current fiscal constraints, the advanced biofuels industry can meet environmental goals, create new green jobs and contribute to economic growth. Industry leaders in advanced biofuels and energy crops proposed policy measures to address both environmental concerns and economic bottlenecks associated with advanced biofuels at the U.S. Department of Energy (DOE) Office of the Biomass Program's Biomass 2009: Fueling Our Future conference. The following remarks were made during the opening plenary session, titled "Dispelling the Myths and Addressing the Challenges," which was organized by the Biotechnology Industry Organization (BIO).

Brent Erickson, executive vice president of BIO's Industrial and Environmental Section, said, "Rapidly increasing U.S. production of advanced biofuels is a sound way to significantly reduce U.S. reliance on imported petroleum, which could mitigate the impact of high oil prices on the overall economy. Continued development of the advanced biofuels industry could have the added benefits of producing thousands of new green jobs and contributing billions of dollars in economic growth. Continued federal support can help the industry quicken the development of the necessary technology and weather the risk of oil price volatility."

Noting that clean-tech and green product companies are particularly vulnerable in the current financing crisis, Erickson elaborated on their capacity for sustainable industrial production, new green jobs, and future economic growth. "Building advanced biofuel production to a modest target of 45 billion gallons by 2030, which can be achieved by maintaining the same pace of technology development, could create more than 400,000 jobs within the industry and 1.9 million new jobs throughout the economy. Further, it could provide an economic boost of \$300 billion. The need for domestically produced advanced biofuels should remain a priority for U.S. policymakers and consumers."

Richard Hamilton, chief executive of energy crop company Ceres, Inc., said large increases expected in crop productivity, as well as better utilization of fallow or marginal land, will absorb the demands being placed on U.S. farmers by bioenergy. "And if we look at improved ways to roll-out advances in plant science globally, and rely primarily on non-food, low-carbon crops like switchgrass, sorghum and Miscanthus, then the math behind biofuels looks even more promising," he said.

Hamilton noted that direct land-use policies hold the greatest promise for reducing greenhouse gas emissions by providing a predictable, transparent carbon playing field. "By having landowners and governments be directly responsible, we can drive efficiencies in farm practices, such as conservation tillage, expand the use of high-yielding, low-input crops and varieties, and encourage other sequestration practices, such as the use of winter cover crops. From a policy and practicality standpoint, it makes greater sense to be tackling the problem head-on," he said.

Jack Huttner, vice president, biorefinery business development at DuPont Danisco Cellulosic Ethanol, LLC (DDCE), discussed some of the economic and policy challenges facing the industry, saying, "In spite of the challenging economic and financial environment, DDCE is investing aggressively in its demonstration plant and engineering program to prepare for biorefinery deployment in 2012, on schedule with our previously announced plans. We are proceeding as we are because we believe the Obama

administration is strongly committed to advanced biofuels and will strongly defend the RFS and the other programs that have been put in place to help the pioneers in the industry. We are making excellent progress and are on a glide path to being cost competitive with starch ethanol by then.”

WASHINGTON -- However, Huttner noted that everything depends on a robust government support structure. “We won’t need incentives and subsidies forever, but we need them to get started. In particular, we need regulatory regimes and policies from agencies like the EPA that don’t send the wrong signals to the marketplace.”

The Advanced Biofuels & Climate Change Information Center presents the latest commentary and data on the environmental, greenhouse gas and other impacts of biofuel production. Drop in and add your comments, at <http://biofuelsandclimate.wordpress.com/>.

BIO represents more than 1,200 biotechnology companies, academic institutions, state biotechnology centers and related organizations across the United States and in more than 30 other nations. BIO members are involved in the research and development of innovative healthcare, agricultural, industrial and environmental biotechnology products. BIO also produces the BIO International Convention, the world’s largest gathering of the biotechnology industry, along with industry-leading investor and partnering meetings held around the world.