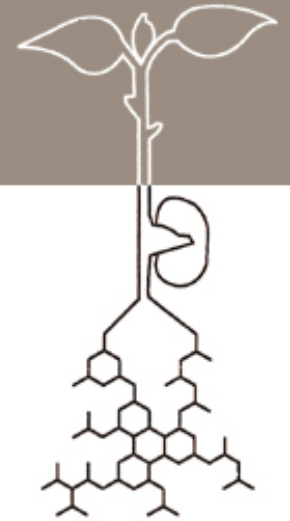


Biofuels Public Policy Landscape

Michael Fernandez

New Mexico Biodiesel Summit
March 27, 2008

Introduction



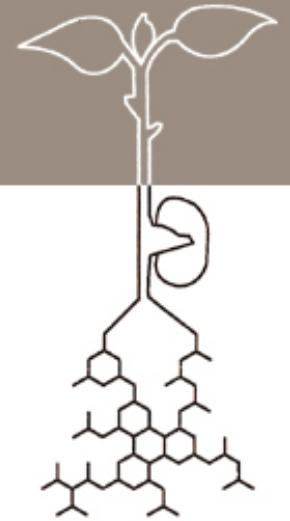
- Federal Policy Landscape
- State/Regional Policy Landscape
- Public Perception Landscape

Federal Policy Landscape



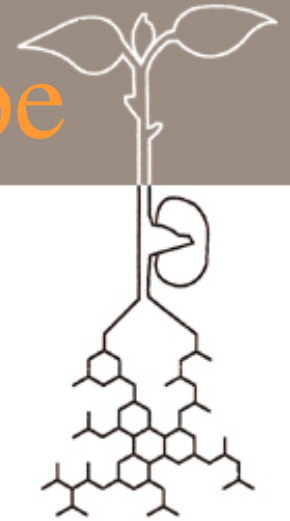
- Energy Legislation
 - Energy Independence and Security Act of 2007
 - Mandates for biodiesel (must meet GHG reduction performance standard = 50%)
 - 0.5 billion gallons in 2009, 0.65 billion in 2010, 0.8 billion in 2011, 1.0 billion gallons in 2012
- Biodiesel tax incentives (expire Dec. 2008)
- Farm Bill
 - CCC Bioenergy Program
 - Biodiesel Fuel Education Program
- GHG Emission Legislation – “cap and trade”

State Policy Landscape



- Renewable Portfolio Standards (RPS)
 - State standards specifying that electric utilities generate a specific amount of electricity from renewable sources
- Regional climate change initiatives
 - Western Climate Initiative
 - Regional Greenhouse Gas Initiative (Northeastern states)
 - Midwestern Greenhouse Gas Reduction Accord

Public Perception Landscape



Food vs. Fuel

“The world’s food situation is bleak, and shortsighted policies in the United States and other wealthy countries — which are diverting crops to environmentally dubious biofuels — bear much of the blame.”

The New York Times

“Food or fuel?”

As global starvation worsens, the U.S. plans to devote vast amounts of grain to producing ethanol.”

Los Angeles Times

Public Perception Landscape



Environmental Impacts

“Pollution Is Called a Byproduct of a ‘Clean’ Fuel”

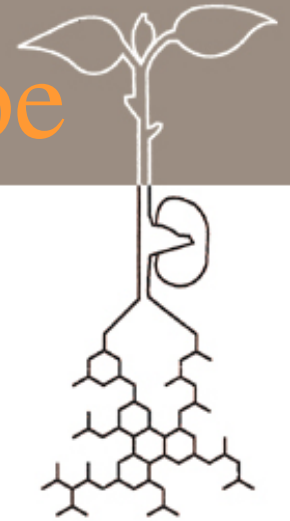
The New York Times

“The Problem With Biofuels

More proof that there are no easy solutions to climate change”

The Washington Post

Public Perception Landscape



- Next generation biofuels
 - Cellulosics
 - Non-edible plant feedstocks
 - Microalgae
 - Advanced biofuels