

Biodiesel and the New Renewable Fuel Standard

Senator Jeff Bingaman

**Chairman, Committee on
Energy and Natural Resources**

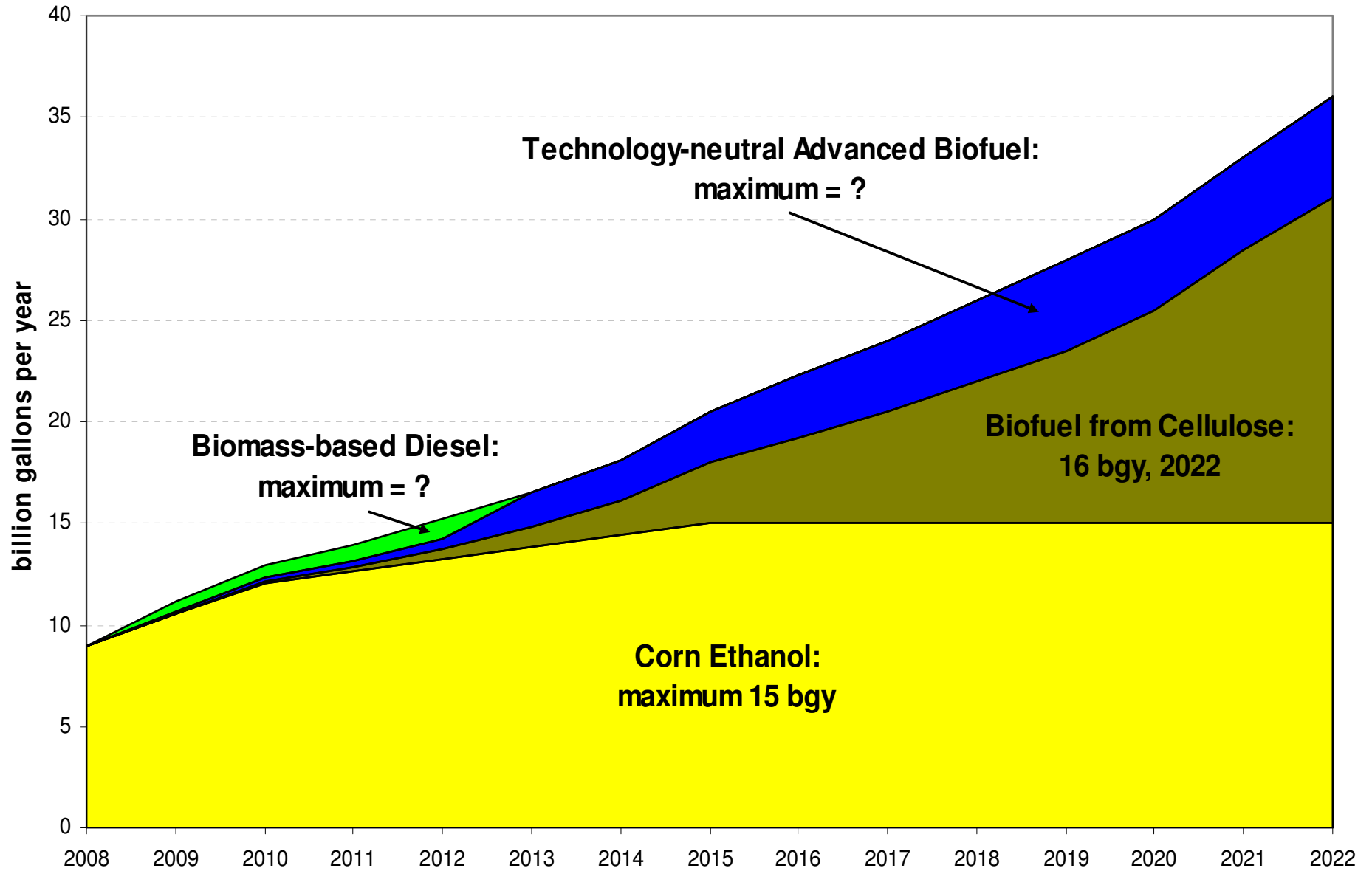
**Chairman, Subcommittee on
Energy, Natural Resources,
and Infrastructure,
Committee on Finance**

March 27, 2008

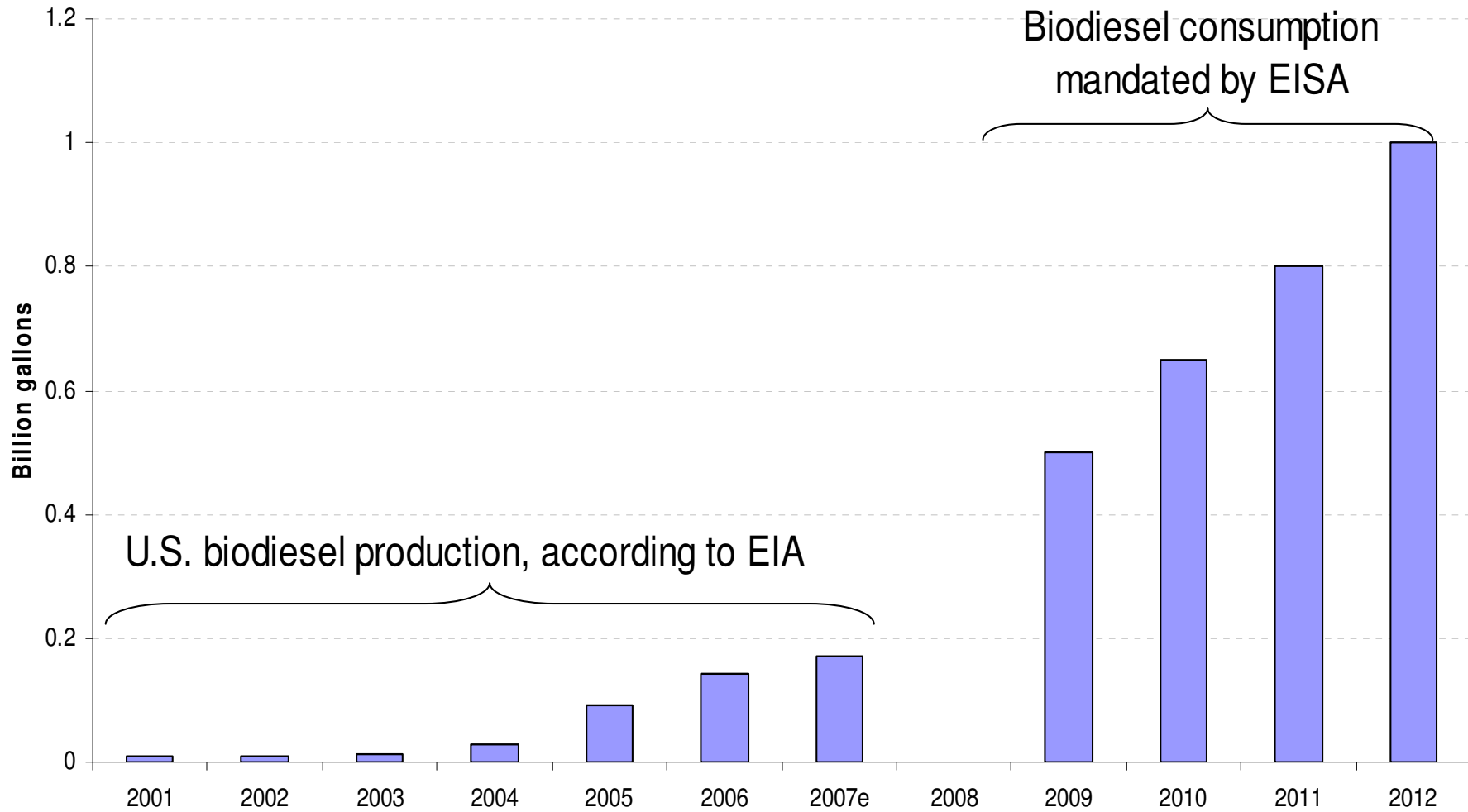
Biodiesel and the RFS

- The Renewable Fuel Standard: 36 billion gallons by 2022
- Biodiesel: minimum requirement of 1 billion gallons, maximum undetermined
- Outstanding Issues
 - Tax policy
 - Environmental policy
 - Farm Bill

EISA Renewable Fuel Standard



Biodiesel in the United States



The difference between estimated 2007 production and the 2009 EISA mandate = 328 million gallons; this difference is nearly twice (1.9 times) 2007 production levels.

Acres to Biofuels

- 1 acre soybeans = 60 gallons biodiesel
- 1 acre canola = 77 gallons biodiesel
- 1 acre palm = 587 gallons biodiesel

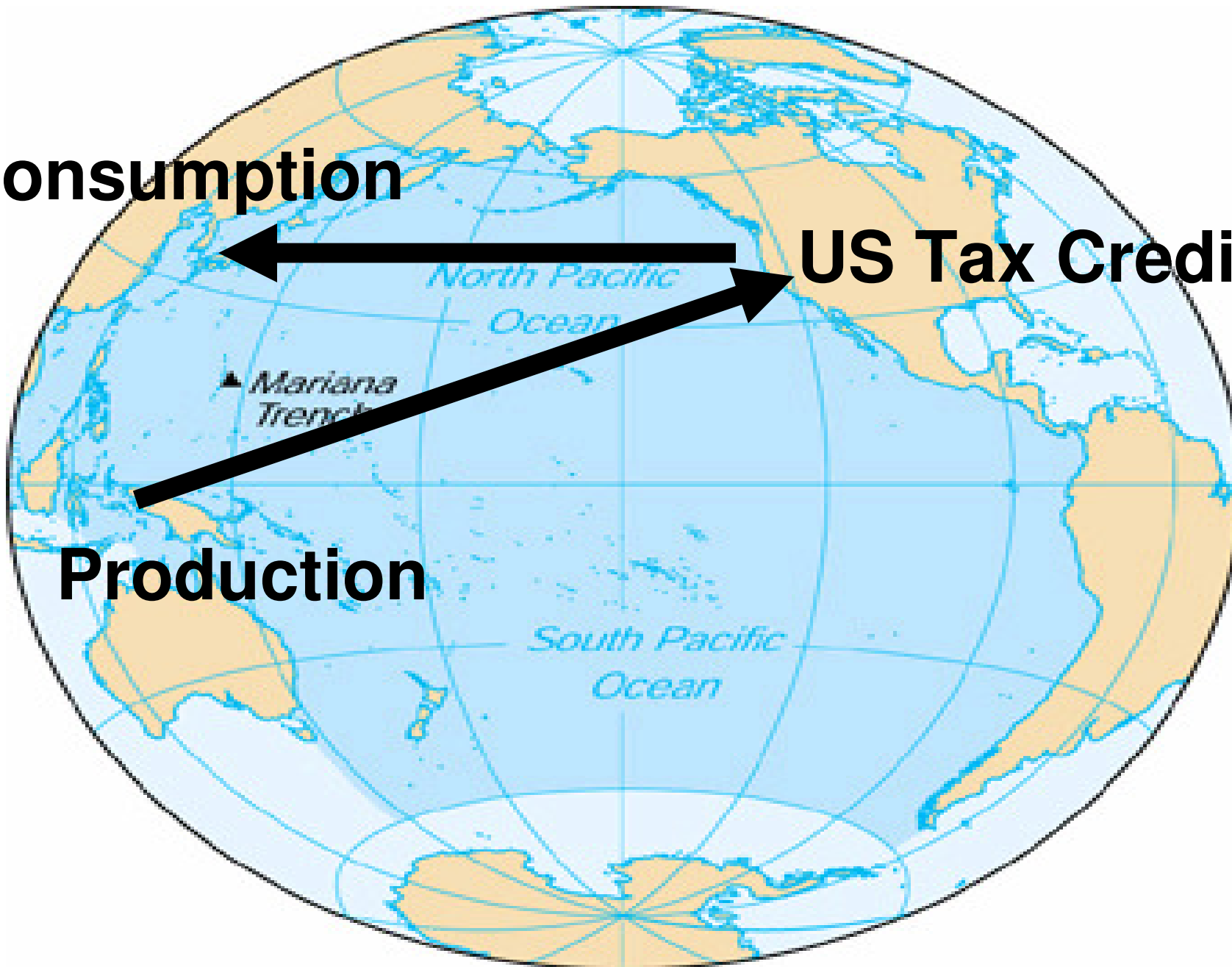
- 1 acre corn = 439 gallons ethanol
- 1 acre sugar cane = 600 gallons ethanol

Source: DuPont

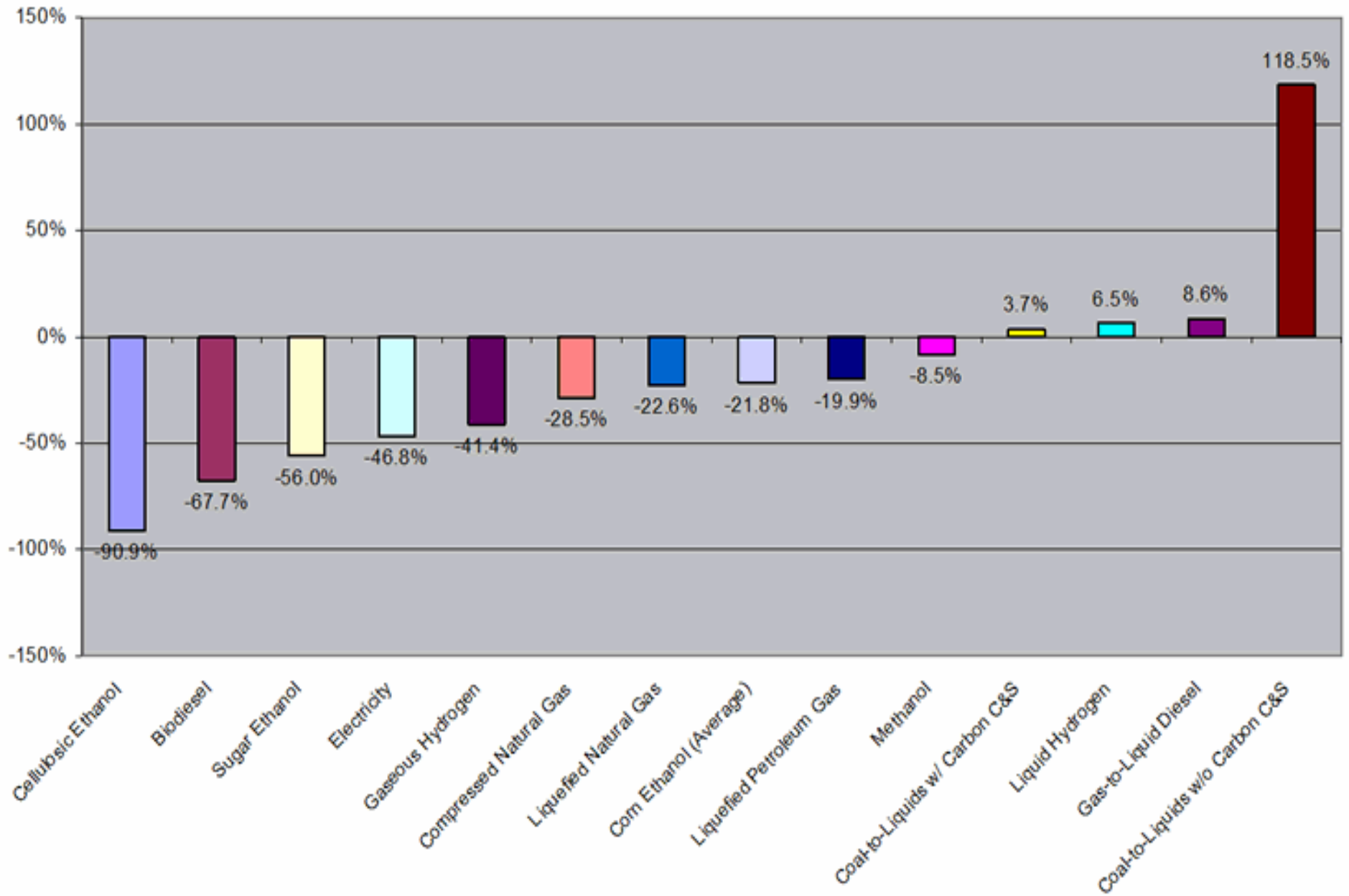
Consumption

US Tax Credit

Production



Percent Change in GHG Emissions



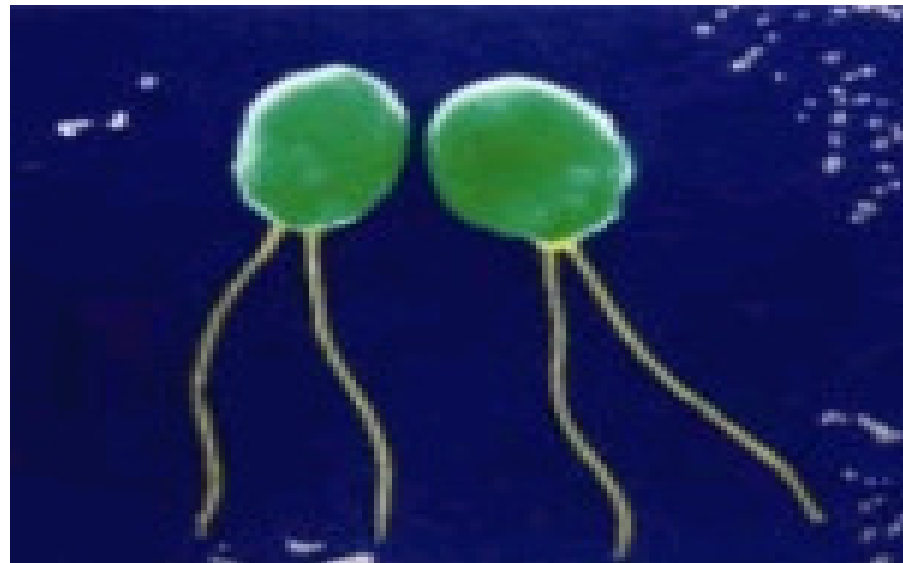
Source: EPA

Farm Bill

**Moving beyond
soy to....**



Jatropha?



Algae?

Conclusions

- RFS: support for vastly increased biofuels production
- 2009 Biodiesel requirement to offer support for domestic industry
- Outstanding tax and environmental issues to be addressed on the Farm Bill