



Iowa Renewable Fuels Association

GREEN Team

Grassroots Renewable Energy Network

Newsletter for renewable fuels advocates

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July 5, 2010

Issue # 108

IRFA Travels to DC for NBB Board Meeting

Iowa Renewable Fuels Association Executive Director Monte Shaw and IRFA Biofuels Manager Grant Menke recently traveled to Washington, DC to attend the National Biodiesel Board meeting along with Denny Mauser of Western Iowa Energy, Craig Breitbach of Western Dubuque Biodiesel, and Gary Haer of REG, Inc.



Congressman Steve King

While there, the group went to Capitol Hill to meet with Congressmen Steve King, Tom Latham, and Leonard Boswell along with the staff of Congressmen Bruce Braley, Steve Loebsack and Senators Chuck Grassley and Tom Harkin. The main focus was to push for the reinstatement of the biodiesel tax incentive. A long-term extension and modification of the incentive were also discussed.



Congressman Tom Latham

Despite support for the biodiesel tax incentive from the entire Iowa delegation, Congress was unable to pass the larger bill containing the tax credit prior to the July 4th holiday.

“Congress has missed another self-imposed deadline for reinstating the biodiesel tax incentive,” stated Shaw. “This is by far the most frustrating issue I’ve worked on in ten years of promoting renewable fuels. On one hand, there is no real opposition.”



Congressman Leonard Boswell

Third Time Not a Charm as Senate Again Fails to Reinstates Biodiesel Tax Incentive

Recently, the U.S. Senate failed for the third time during the month of June to clear the 60 vote hurdle necessary to move forward on legislation reinstating the biodiesel tax incentive. The cloture vote on the most recent Baucus Substitute Amendment to H.R. 4213, *the American Job and Closing Loopholes Act of 2010*, which included a retroactive reinstatement of the biodiesel tax incentive through December 31, 2010, failed by a 57-41 margin. This latest blow to the Iowa biodiesel industry is particularly damaging, as the Senate has no current timeline to take up this legislation again.

In response to this news, Iowa Renewable Fuels Association Biofuels Manager Grant Menke issued the following comment:



“As Senators continue to extol the virtues of green job creation and clean energy on a daily basis following the tragic oil spill in the Gulf, the Senate’s lack of action has served no purpose other than assuring that the U.S. biodiesel industry remains

stagnant at best and in a freefall at worst,” said Menke. “If the Senate is serious about creating green jobs and displacing gallons of crude oil, it can start by reinstating the biodiesel tax incentive immediately. Within days, this provision will put over 20,000 men and women to work while unleashing the proven petroleum displacement power of America’s first advanced biofuel. Now is the time for the Senate to find the courage to match its words with actions.”

Shaw continued, "On the other hand, Congress has proven incapable of passing broader legislation including the incentive. Meanwhile, plants stand idle and biodiesel workers remain in the unemployment line. At this point, Congress appears to be broken."

If Congress restored the biodiesel tax incentive, one billion gallons of renewable fuel would begin displacing crude oil immediately and thousands of green collar jobs would be restored in days. Furthermore, it would demonstrate the first concrete step toward moving the US away from a dangerous addiction to crude oil at a time when the Gulf Coast is being devastated from just one oil leak.

Casey's Now Offers B2 at 22 Iowa Locations:

428 Lincoln Way Ames, IA 50010	1310 NW 18 th St. Ankeny, IA 50023
1019 N. Chestnut St. Avoca, IA 51521	1608 4 th Ave. S Denison, IA 51442
504 5 th St. Durant, IA 52747	1402 9 th St. SE Dyersville, IA 52040
840 E. Le Claire Eldridge, IA 52748	2406 Main St. Emmetsburg, IA 50536
1482 State Hwy 48 Essex, IA 51638	210 S. 4 th St. Farmington, IA 52626
1230 3 rd Ave. Fort Dodge, IA 50501	215 West Main St. Fredericksburg, IA 50630
1001 Avenue E Hawarden, IA 51023	902 W. Highway 69 Huxley, IA 50124
6417 N. Glenn Dr. Johnston, IA 50131	509 S. Monroe St. Monroe, IA 50170
105 1 st Ave. SE Oelwein, IA 50662	706 10 th St. Onawa, IA 51040
1308 1 st St. Perry, IA 50220	1100 S. 3 rd St. Polk City, IA 50226
605 6 th St. S. Springville, IA 52336	6630 Mills Civic Pkwy W. Des Moines, IA 50266

For other stations that offer B2, visit our website at: http://www.iowarfa.org/biodiesel_retailers.php

Gilbarco Encore flexible fuel dispensers have received **Underwriter's Laboratories (UL)** UL87A approval for E85 fuel and will now bear the UL listing mark.

"We are pleased to be leading the development of the infrastructure required for alternative fuels, including increased use of ethanol," said **Chad Johnson**, Marketing Manager for Encore dispensers at **Gilbarco Veeder-Root**. "The Encore S Flexible Fuel dispensers for E85 provide our customers with the same innovative, money-making features and durability they enjoy with the gasoline models."



Recently, **Dresser Wayne** announced that its **Ovation® Eco Fuel (OEF)** dispenser has also been certified by Underwriters Laboratories (UL) for E85.

"As alternative fuels become more widely accepted, we are developing the infrastructure necessary to support our retailers as they add these fuels to their product offerings," explains **Scott Negley, Director of Alternative Energy Products for Dresser Wayne**. "Receiving UL approval for E85 is an important and exciting step in that direction."

UL's approval of the OEF dispenser for E85 was the next goal after earlier approval of the dispenser for the E25 ethanol blends earlier this year. Approval for E85 blending, which supports mid-level ethanol blends, is expected to follow shortly.



"UL certifications are consensus based", said **John Drenenberg, Director of Consumer Safety for UL**. "That means, besides UL staff, many groups and individuals

gave input on the standards for E85 dispensers, which have been in place since 2007."

The next anticipated step is UL certification of a blender pump, which is expected in the near future. Receiving these certifications will enable the ethanol industry to strengthen ethanol infrastructure while removing a barrier that has been hindering the growth of alternative fuels in the mainstream marketplace.

April Ethanol Demand Surpasses Production

For the first time this year in April, ethanol demand exceeded production. While production has stayed somewhat consistent, demand has gradually grown to take over production for the first time.

U.S. ethanol production fell slightly in April. According to information from the **Energy Information Administration (EIA)**, April 2010 ethanol production averaged more than 832,000 barrels per day, down from 847,000 b/d in March. Ethanol demand reached an all time high at 834,000 b/d in April, up from 673,000 b/d a year ago.

“While this trend may or may not continue, it is good to see that demand exceeded production in April. The ethanol industry needs approval of higher blends in order to grow demand,” said **Monte Shaw, Executive Director of Iowa Renewable Fuels Association**.

According to weekly data now being published by EIA, ethanol production for the week ending 6/18/2010 was 846,000 b/d.

	<i>Million Gallons</i>	<i>Barrels per Day</i>
Production	1048.4 mg	832,000 b/d
Use	1050.3 mg	834,000 b/d
Stocks	826.6 mg	23.6 days of reserve
Exports	40.8 mg	n/a
Imports	1.5mg	

*Source: EIA/RFA

New IRFA Members

Boulay, Heutmaker, Zibell & Co. PLLP

BHZ has worked in the alternative energy industry for over ten years servicing more than forty renewable fuels plant. Their alternative energy practice includes ethanol, biodiesel and wind energy clients along with recycling companies who recycle computer equipment and food waste.

Soy Energy, LLC

The mission of Soy Energy, LLC is to own and operate a state of the art biodiesel facility in Iowa which will promote economic development in the area while providing a fair return to the investors and the farming community.

SynGest Inc.

SynGest Inc. intends to become the dominant player in the production and distribution of anhydrous ammonia made from biomass. Their proprietary process uses renewable feedstocks and is carbon negative.

2010 USDA Corn and Soybean Acreage Reports Slightly Up from 2009

Recently, the **United States Department of Agriculture (USDA)** released its Annual Acreage report. The USDA reported that U.S. corn growers planted 87.9 million acres this year, a 2% increase over 2009. However, the number was lower than a March report had predicted which surprised many analysts.

"We're entering an interesting time as corn growers," said **NCGA President Darrin Ihnen**. "Rapidly rising yields allow us to grow more on less land. With only a 2% acreage addition, growers will again produce a crop that not only exceeds demand but enough to store record amounts for the next season. It's an exciting time for growers, and we're looking forward to a great year where we can meet all needs for food, feed, fuel and fiber."

For Iowa, planted soybean acres are estimated at 10.2 million acres, up 600,000 from 9.6 million acres in 2009, and 300,000 more than the 9.9 million projected in March. Iowa's planted corn acres are estimated at 13.3 million, down 400,000 acres from 13.7 million in 2009, and 200,000 less than the March projection of 13.5 million.

"We are not surprised by the increase in soybean acres," **Iowa Soybean Association President Delbert Christensen** said. "We are a little skeptical whether all those acres will be there at harvest, as a result of weather issues. We continue to be encouraged by the strong demand, as indicated by the Stocks report. As of June 30, grain stocks show demand has continued to exceed expectations."

Senate Asked to Keep Biofuels Bills in Mind While Addressing Oil Spill, Energy Legislation

In a letter to **Senate Majority Leader Harry Reid**, the **American Coalition for Ethanol (ACE)**, **National Corn Growers Association** and **Renewable Fuels Association** asked that legislators keep biofuels in mind. "It is likely that the Senate will take up an energy bill, heavy on provisions that respond to the Gulf oil spill, and we're hopeful that it will also contain important provisions for biofuels," **Brian Jennings, Executive VP of ACE**.

The letter asked Reid to include the Consumer Fuels and Vehicle Choice Act, a bill to increase the number of flex fuel vehicles and provide grants for installing blender pumps, and the Green Jobs Act, to extend ethanol tax incentives. "One important component of the domestic policy response to the Deepwater Horizon spill should be further efforts to promote the domestic production and use of renewable fuels like ethanol," the letter said.

New Fact Book Highlights Benefits of Ethanol Program

Published by the **Clean Fuels Development Coalition** and distributed through the **Ethanol Across America campaign** in cooperation with the **Nebraska Ethanol Board**, the Ethanol Fact Book addresses the ethanol tax incentive, energy security and oil import reductions, economic impacts and benefits to the U.S. Treasury, greenhouse gas reduction and environmental benefits, and advancements in cellulose conversion technologies. Developments in flexible fuel vehicle production and high level blends are also addressed.

U.S. Senator Ben Nelson, Co-Chair of the Ethanol Across America campaign said, "As Congress continues its work on an energy bill it is essential that it will continue to support and enhance our nation's use of renewable fuels. Ethanol supports our efforts to create jobs, stimulate the economy, reduce the use of oil, and improve the environment. The Clean Fuels Development Coalition has done a tremendous job in educating the public about this issue through this fact book."

Todd Sneller, Administrator of the Nebraska Ethanol Board, said the Ethanol Fact Book covers only part of ethanol's many positive contributions. "The ethanol industry has created thousands of jobs and over \$63 million in tax revenue right here in Nebraska," said Sneller. "This is a success story that's been repeated all over the U.S. as the Ethanol Fact Book makes clear."

The Ethanol Fact Book is available through the offices of the Clean Fuels Development Coalition, the American Coalition for Ethanol, Growth Energy, the Nebraska Ethanol Board, and numerous other outlets. Download a PDF from the Nebraska Ethanol Board website or request a hardcopy from the Nebraska Ethanol Board.

To download the Fact Book visit:

<http://www.ne-ethanol.org/pdf/Factbook2010.pdf>

IRFA Congratulates All Producer Members for Achieving RFS2 Compliance

All renewable fuels producers were required to register for the RFS2 program. Specifically, each producer's registration had to be submitted to and accepted by EPA by July 1 in order for that producer to be eligible to generate RINs starting July 1. This was a major regulatory hurdle for our members to overcome, and every IRFA member producer was successful!

USDA: Ethanol Plants Gain in Net Energy Output



The USDA's Agricultural Resource Management Survey of corn growers for the year 2005 and the 2008 survey of dry mill ethanol plants resulted in promising numbers for the ethanol

industry. It found that dry grind ethanol plants produce 2.3 times more energy in the form of ethanol delivered to customers than it uses for corn, processing and transportation. The ratio of 2.3 BTUs of ethanol for 1 BTU of energy inputs is up from the ratio of 1.76 BTUs for every 1 BTU of energy inputs in 2004. By comparison, gasoline yields only 0.8 BTUs for every 1 BTU input.

The report also shows that some dry mills that use 50% biomass power have an energy output of 2.8 times the energy it takes to make one unit of energy. The news was welcomed by **Growth Energy** and the **Renewable Fuels Association**:

"This study clearly demonstrates the technological advancements that have taken place in ethanol production in just a short period of time," said **Growth Energy CEO Tom Buis**. "The findings prove that ethanol production is becoming cleaner and more efficient at a time when oil production continues to become dirtier and more difficult to extract."

"If previous ethanol energy analyses have been nails in the coffin of the stale and distorted 'negative energy balance' myths, this report serves as the final burial," said **RFA President and CEO Bob Dinneen**. "As better and more current data becomes available, there can be no doubt that ethanol offers tremendous energy benefits while greatly reducing consumption of crude oil. American ethanol producers continue to evolve, becoming more efficient and producing greater environmental benefit."

To see the full study visit our site at

<http://iowarfa.org/PDF/energyconsumptions.pdf>

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