Iowa Renewable Fuels Association
GREEN Team
Grassroots REnewable Energy Network
Newsletter for renewable fuels advocates
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No Empirical Link Between Biofuels, Land Use Changes

A recent peer review paper done by researchers at **Michigan State University** links that there is no reason to believe that biofuel production has led to land use change. The researchers tested whether indirect land use change (ILUC) occurred as the result of U.S. biofuels expansion by using historical data on U.S. cropland, commodity grain exports to specific regions, and land use trends in those geographical regions.

ILUC is a theory that any acre used in the production of feedstocks for biofuel in the U.S. results in new acres coming into food or feed production somewhere else in the world. "Since its inception, the notion of indirect land use change has been deeply flawed and repeatedly disputed. It is refreshing to see academia using real-world data and actual market behaviors to challenge the hypothetical results and 'what if' scenarios that have so far dominated the ILUC discussion," said **Renewable Fuels Association President and CEO Bob Dinneen**. Also, the **U.S. Department of Energy's Oak Ridge National Laboratory** noted that ILUC resulting from corn ethanol expansion over the past decade has likely been minimal to zero.

The study conducted by Michigan State relied heavily on real world data that looked at production, acreage, and trade data from the past two decades of growth in U.S. ethanol production. The authors, **Seungdo Kim** and **Bruce Dale,** have noted that prior ILUC studies have failed to compare their predictions to past global historical data. This analysis clearly suggests that cropland expansion in foreign countries is not well correlated to the U.S. biofuels demand for certain feedstock. Lastly, it notes that the growing availability of ethanol distiller grains is offsetting the need for additional crop acres.
http://domesticfuel.com/2011/05/16/new-study-breaks-link-between-land-use-biofuels/

Biodiesel Leading the way to a Clean Environment

The **National Biodiesel Board (NBB)** highlighted the significant health and air quality improvements from blending biodiesel with petroleum diesel at a recent hearing on diesel emissions. Emissions from traditional diesel, primarily trucking fleets and school buses, are a significant health and air quality concern. The **Environmental Protection Agency (EPA)** cited earlier this year that diesel exhaust was one of the nation's most dangerous pollutants, saying it is "among the substances that may pose the greatest risk to the U.S. population."

Biodiesel is a clean-burning replacement fuel that can be used in existing diesel engines. It is made from renewable sources like vegetable oils, recycled cooking grease, and animal fats. It drastically reduces nearly every major toxic air pollutant and greenhouse gas emissions, according to the EPA.

"Thousands of trucks and buses hit the road every day burning traditional diesel fuel, and using larger amounts of diesel fuel blended with biodiesel is the simplest, most effective way to immediately improve emissions," said **Ben Evans, NBB's director of federal communications.** "Along with creating U.S. jobs and reducing our reliance on foreign oil, improving air quality is a major reason why domestically produced biodiesel must play a critical role in the nation's fuel mix."

For the full written testimony click here.

USDA Predicts Record Corn Crop

The **U.S. Department of Agriculture (USDA)** made its first estimate of the 2011 corn crop earlier this month. After conducting a survey from farmers and using historical yield trends, the USDA predicted that 92.2 million acres of corn will be planted and 85.1 million acres will be harvested with an estimated average yield of 158.7 bushels per acre.

"American farmers appear poised to once again respond to market signals and increase their productivity without needing to convert non-agriculture land to cropland," said **Renewable Fuels Association Vice President of Research and Analysis Geoff Cooper.** Wet weather has kept farmers from getting crops in early this spring, however, Cooper also noted, "This year's planting pace is almost identical to the slow pace we saw in 2009, but we ended up with a record yield of 164.7 bushels/acre that year and the 2010 crop was planted very early, but produced a final yield that was well below trend."

For the 2011 – 2012 market year, (Sept. 1 – Aug. 31), the USDA is estimating the demand to be 5.05 billion bushels to be used specifically for ethanol. This will translate to more than 14 billion gallons of ethanol using industry average ethanol yields.

Ethanol exports are also setting new records. Through the first three months of the year, the U.S. has exported 201 million gallons of ethanol. In the month of March alone, 84 million gallons of product have been shipped to different destinations around the world. Denatured ethanol totals 58.6 million gallons of ethanol and undenatured totals 25.4 million gallons.

Fair Weather and Planting Conditions

Iowa Secretary of Agriculture Bill Northey recently commented on the Iowa Crops and Weather report released by the **USDA National Agricultural Statistical Service.** "What a difference the last two weeks have made. With good weather we are now ahead of the five-year average of planting for both corn and soybeans," he said. With good weather in early May, many farmers with crop remaining to be planted will have an opportunity to finish." For more information on the weekly report, go to: www.IowaAgriculture.gov or www.nass.usda.gov/ia.

Livestock Feed Production Represented Nearly $4 Billion in Income for 2010

In the current market, for every one bushel of corn used in ethanol production, one-third of it will be returned and used to feed the livestock market. The ethanol production process only requires the use of the starch portion of each kernel of corn. The remaining protein, fat, fiber, and other nutrients are returned to feed livestock.

According to the **Renewable Fuels Association (RFA)**, "America's ethanol producers supplied nearly 35 million metric tons (mmt) of livestock feed in the 2009/2010 marketing year. By volume, such production is greater than the total amount of grain consumed by all of the beef cattle in the nation's feedlots."

Not only are the corn distillers being used to feed the nation's livestock, but 25% is being exported to mainly China, Mexico, and Canada. Livestock feed is reported to represent nearly $4 billion in 2010 and is expected to nearly double in 2011. http://bit.ly/jo99X0

ICM Debuts Commercial-Scale Biomass Gasifier

ICM Inc. has announced the availability of a commercial-scale biomass gasification system that can be used as a cogeneration unit or to completely eliminate fossil fuel intake at various facilities, including ethanol plants. "It was critically important for ICM to invest heavily in a commercial-scale demonstration unit to prove the feedstock-flexible capabilities of this robust technology, which dates back to 1975, as well as to give potential customers and leaders the comfort and reassurance they need to finance waste-to-energy and biomass-to-energy projects," said **ICM's Vice President of Operations, Tom Ranallo.**

Ranallo also added, "Ethanol producers with access to corn stover, for instance, could also apply the gasification system to their facilities. Equipment and installation fees vary depending on the feedstock used and whether the user would like to also produce biochar as a co-product." He estimated that the project costs generally range from $3 million to $4 million per megawatt of power produced. System installations can be completed in about a year.

Investment in Biofuels Could Create Jobs, Boost Incomes

The United Nations' Food Body recently stated that, "Investment in biofuels could actually help to improve food security in rural economies by creating jobs and boosting incomes." **The Food and Agriculture Organization (FAO)** also added, "That if managed responsibly, cultivating crops for fuel, such as sugar and corn, can actually spark much needed investment in agricultural and transportation infrastructure in rural areas."

"Done properly and when appropriate, bioenergy development offers a chance to drive investment and jobs into areas that are literally starving for them," said **Heiner Thofern,** who heads **FAO's Bioenergy and Food Security Project.** He cited the growth of potential export markets for bio-energy products like Europe as presenting farmers in the developing world with new opportunities to access world markets and boost their household incomes.

The FAO is currently continuing to develop a framework to help policymakers weigh the pros and cons of each sector involving biofuels, including their social impacts. "Our goal is to help policy makers make informed decisions regarding whether bioenergy development is a viable option," said Thofern.

'Farmers Drive Iowa' Will Promote Renewable Fuels

To promote ethanol-fueled auto racing, a caravan of vehicles powered by biorenewable fuels, headed across central Iowa from Ames to Des Moines, to Newton. Among these vehicles was the **Iowa State University** sponsored race car that will run in the **NASCAR** race at **Iowa Speedway** on May 21, 2011.

This year, NASCAR started fueling its stock cars with a blend of 15% ethanol, E15. This Month's races at the Iowa Speedway in Newton will be the first time NASCAR's ethanol-fueled cars will race in Iowa.

"Iowa State University is all about putting science, technology, and creativity to work for Iowa and the world," says **Carole Custer, Director of University Marketing.** "This promotion and sponsorship is a way to highlight the university's role in the development of ethanol and the university's continued leadership in biofuels research."

Homeland Energy Solutions, LLC Membership Units for Sale

Corn Belt Power Cooperative, headquartered in Humboldt, Iowa, has 100 membership units of **Homeland Energy Solutions, LLC** for sale. The asking price for these units is $900 per unit OBO. The units may be bought all together or split up into as few as 25 units. All sales must be approved by the Homeland Energy Solutions board of directors.

Homeland Energy Solutions, LLC is an ethanol producer located in Lawler, Iowa. They have the capability to produce 100 million gallon of ethanol annually from 37 million bushels of corn. The facility is serving agriculture producers of corn from a multi-county area of Allamakee, Bremer, Butler, Cerro Gordo, Chickasaw, Clayton, Fayette, Floyd, Howard, Mitchell and Winneshiek counties. To learn more information about Homeland Energy Solutions, Call them at 563-239-5555 or visit their website: www.homelandenergysolutions.com

For Purchasing information contact **Brittany Dickey, Corn Belt Power Cooperative,** at **515-332-7715**
Email: brittany.dickey@cbpower.coop

From Trash to Ethanol, IRFA Welcomes Fiberight

Fiberight, LLC of Blairstown, IA, has become IRFA's first biomass ethanol plant member. The company's clean technology transforms post-recycled municipal solid waste and other organic feedstocks into next generation cellulosic ethanol.

Fiberight, has developed a **Targeted Fuel Extraction (TFE)** process to cost effectively convert MSW into energy and other products. The TFE technology separates the organic and inorganic materials, cleans and processes organic and hydrocarbon fractions then converts the organic fraction into cellulosic ethanol, the hydrocarbon fraction into plant energy and electricity, and the inert fraction into recyclables or beneficial products, such as road fibers, animal absorbents and fire retardant panel board. Another feature of Fiberight's technology is the ability to recycle the enzymes used in the conversion process for added cost benefits. The Blairstown facility is being scaled to commercial production of 6 million gallons annually. Visit www.fiberight.com for more information.

The IRFA will continue expanding its membership of biomass-based businesses and the services it provides to foster the development and growth of Iowa's bio-based industry.

Iowa Blender Pump/E15 Webinar

Brought to you by the Renewable Fuels Association and the American Coalition for Ethanol. In Cooperation with Iowa Renewable Fuels Association and Iowa Corn Growers Association

WHEN: June 9, 2011
TIME: 1pm CST
WHO: Petroleum Marketers & Station Owners

For more information & to register visit: www.BYOethanol.com

Blender Pump Grants Available

Little Sioux Corn Processors, (LSCP) a 108 million gallon ethanol refinery located in Marcus, IA is now offering financial assistance to retailers who install blender pumps in northwest Iowa. The LSCP board of directors is making $150,000 available to retailers to offset the cost of blender pump installations.

"There is a strong need for E85 and mid-level blends in this area," said **Ron Wetherell, LSCP Chair.** "Little Sioux's board decided that in order to expand the availability of high blend ethanol to Northwest Iowa motorists, they needed to get involved by investing in future markets for ethanol." LSPC will provide $15,000 per blender pump installation for a total of 10 blender pumps in counties in the northwest corner of the state (Buena Vista, Cherokee, Clay, Dickinson, Ida, Lyon, O'Brien, Osceola, Plymouth, Sac, Sioux, and Woodbury).

Retailers wishing to apply for LSCP's grant program must submit an approved state or federal grant application and proof of completed blender pump installation to **Gary Grotjohn** at Little Sioux Corn Processors. Applications are subject to approval by the LSCP Board of Directors.

Assistance in completing a state or federal grant application is available through **the Iowa Renewable Fuels Association (IRFA) by contacting Lucy Norton, IRFA Managing Director**, at 515-252-6249.

LSCP is a farmer-owned dry mill ethanol facility located at 4808 F Avenue, Marcus, Iowa 51035.

Joint Economic Committee Says Ending Big Oil Tax Breaks Will Not Affect Fuel Prices

Senate Democrats recently stepped up their push to repeal tax breaks for major oil companies by unveiling a report that showed it would not affect gas prices. The report stated that, "eliminating these subsidies for the major oil and gas producers is unlikely to affect production decisions in the near term and, thus, is not likely to have any impact on consumer prices for gasoline and natural gas in the immediate future

The article states that oil prices depend on fluctuation of global supply and demand, and found no evidence that losing these tax breaks would cause big oil companies to cut back on drilling activities and concluded that companies will continue to produce oil and natural gas as long as the cost of extraction is lower than the market price.

Senate Republicans and oil companies, however, disagree. They warned Congress that repealing tax breaks could affect gas prices. For more information and the full article, follow the link. Click Here!

New E85 Station!

Dahl's Fuel
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Des Moines, IA

Get your E85 Fuel now!

New Extraction Aid from Ashland Inc. Increases Corn Oil Yield from Ethanol Production

As reported in **Yahoo News**: Ethanol producers can now capture up to three times more corn oil during processing and extract a higher quality oil, thanks to a new product introduced by **Ashland Hercules Water Technologies**, a commercial unit of **Ashland Inc.** The new corn oil extraction aid, PTV M-5309, is easily introduced into the process and requires no additional capital expenditure.

"The customers we've worked with in developing this value-added product have documented a number of benefits from using the PTV M-5309 corn oil extraction aid," said **McCord Pankonen, global biorefining marketing manager, Water Technologies.** "The real beauty of the product is that refiners don't have to change their process. Many of those who are using our corn oil extraction aid are producing up to three times more corn oil than they previously achieved."

Visit http://www.ashland.com to see the innovations they offer.