Impact of Biofuels on the Region

Farm Bureau’s Involvement

Troy Bredenkamp
Executive Vice President
Colorado Farm Bureau
Impact of Biofuels

• In a word…Positive.
  – 13B gals of ethanol produced in 2010.
  – Displaces 445M barrels of oil.
  – Reduces GHG emissions by 40-60%
  – Rural economic stimulus.
  – By-product a great feedstock for animal agriculture.
Impact of Ethanol on Corn Market

- Approx. 4.5B bushels used in ethanol production.
- 1.5B bushels returned in distillers for feed
- 3B bushels total used in ethanol production.
- 12.67B bushel crop in 2010.
- Ethanol production = 23.7% net of crop.
Impact of Biofuels
Regionally/Colorado

- Ethanol/biodiesel production throughout Ports to Plains corridor...
  - 3.95B gal of ethanol production in NE, SD, KS, ND, TX, CO, NM and WY.
  - Jobs, jobs, jobs
  - Good for animal agriculture
  - Transportation (over road, rail)

- In Colorado
  - 125M gal/yr ethanol capacity
  - NREL HQ in CO
  - Emerging technologies – algae, cellulosic
Farm Bureau Supports Biofuels...

- AFBF/CFB Energy Policy:
  - Supports VEETC
  - Supports RFS
  - Blender pump incentives
  - Supports continued research into advanced biofuels technology.
  - Defends biofuels with respect to the food vs. fuel debate.
  - All forms of energy.
Colorado Farm Bureau
Renew Colorado Project...

- CFB explored developing an ethanol plant (2007-2010)
  - 60M gal plant in NE Colorado
  - State-of-art advanced biofuels
  - FS was promising...37% ROI
  - CFB proceeds - to fund rural economic development across CO.

- Recession, credit market dries up, project has been shelved.
Challenges Facing Grain-based Biofuels

- Limitations – 17B to 20B gal/yr max.
- High feedstock prices.
- Food vs. fuel debate will intensify.
- Potential loss of tax credits.
- Low carbon fuel standards (CA model)
- Access to capital/credit.
- 9+ billion population by 2050 (UN est.).
- Continued loss of farm ground to development.
A Bright Future For Biofuels...

- Political unrest across the globe.
  - Increasing fossil fuel prices
  - Increases public desire for “home grown” energy.

- If advanced biofuels technology can be commercially developed.
  - Cellulosic technology
  - Low carbon tech alternatives
  - Diversify feedstock into woody biomass, refuse, etc.