

**For Immediate Release**

**CONTACT: Doug Durante (301-718-0077)**

## **CFDC Applauds Presidential Directive on Biofuels**

*-Agency Coordination, Market Development, and Financing Emphasized*

*Washington, D.C. May 5, 2009:* In a far reaching and pointed memorandum to the Secretary of Agriculture, President Obama today reaffirmed the Administration's support for the continued development of biofuels by outlining a number of specific initiatives to be taken immediately.

Citing the 600,000 barrels per day of domestic biofuel production "energizing our economy with new industries and jobs," President Obama is creating a Biofuels Interagency Working Group chaired by the Secretaries of Agriculture and Energy, and the Administrator of the Environmental Protection Agency. In his memorandum to Agriculture Secretary Vilsack, the President tasked the group to develop the nation's first market development program, including developing policies for increased flex fuel vehicle production and retail marketing efforts.

The directive also includes an emphasis on continuing the assessment of lifecycle greenhouse gas emissions but also calls for periodic review of the lifecycle analysis of fossil fuels.

Douglas A. Durante, Executive Director of the Clean Fuels Development Coalition, called the initiative, "The right message at the right time. The President's re-affirmation of his support for biofuels sends a clear message that we are going to continue to develop our only readily available alternative to petroleum, and get the economic benefits that come with it."

Durante noted that at a time of extreme pressure on household budgets across the country, biofuels like ethanol save motorists and consumers billions of dollars at the gas pump by keeping prices low. "By calling for assistance in retail marketing and distribution policies, this could pave the way for blender pumps and other programs that will get more biofuels into the market and create demand for new production," said Durante.

In addition to the creation of the working group and the emphasis on market and transportation issues, the directive cites the existing authority under the Rural Development Acts of 1972 and 1980 for the Secretary of Agriculture to dramatically accelerate funding programs from the 2008 Farm Bill for biofuel programs. The President called for loan guarantees for new biorefineries, funding for the replacement of fossil fuels in existing biofuel facilities, and more funding for next generation feedstocks.

CFDC is working with the Governors' Biofuels Coalition and a number of other industry groups to support this initiative. CFDC Chairman Todd Sneller, Administrator of the Nebraska Ethanol Board and an advisor to the Governors and industry groups said the emphasis on financing will be welcome news to a number of Nebraska projects.

"We have dozens of excellent facilities that got caught up in the credit crunch and the spike in commodity prices of last year due to factors having nothing to do with ethanol. The rapid deployment message from the President in terms of getting money into some of these projects would allow us to immediately put people back to work and re-open some of these facilities. This is not a question of being shovel ready – this is flip the switch ready," said Sneller.

The Memorandum from the President to Secretary Vilsack will be published in the Federal Register this week.

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CFDC is a nonprofit organization comprised of agriculture organizations, ethanol producers, automobile manufacturers, and design and technology firms supporting the use of cleaner burning fuels and fuel additives.