



## COMMODITY MARKETS COUNCIL Policy Discussion: Legislative Issues

### **The Energy Bill: An Amended Renewable Fuels Standard**

#### **Overview**

The Energy Independence and Security Act of 2007, signed into law on December 19, 2007, amends the Renewable Fuels Standard (RFS) to 36 billion gallons in 2022.

#### **Legislation Summary**

##### **Types of Biofuels**

The energy bill defines *conventional biofuel* as ethanol derived from corn starch. *Advanced biofuels* are renewable fuels other than ethanol derived from corn starch and are derived from renewable biomass. Advanced biofuels must also achieve a 50 percent green house gas emissions reduction. *Cellulosic biofuels* is renewable fuel derived from any cellulose, hemicellulose, or lignin that is derived from renewable biomass and achieves a 60 percent green house gas emission reduction.

##### **Renewable Fuels Standard**

In 2008, the standard is 9 billion gallons and by 2022 the total RFS will reach 36 billion gallons.

Year	Conventional Biofuel	Advanced Biofuel	Cellulosic Biofuel	Biomass-based Diesel	Total RFS
2008	9.0				9.0
2009	10.5	0.1		.5	11.1
2010	12	0.2	.1	.65	12.95
2011	12.6	0.3	.25	.8	13.95
2012	13.2	0.5	.5	1	15.2
2013	13.8	1.75	1		16.55
2014	14.4	2	1.75		18.15
2015	15	2.5	3		20.5
2016	15	3.0	4.25		22.25
2017	15	3.5	5.5		24
2018	15	4.0	7		26
2019	15	4.5	8.5		28
2020	15	4.5	10.5		30
2021	15	4.5	13.5		33
2022	15	5	16		36

#### **Studies**

- The National Academy of Sciences will study the impact of the RFS program on each industry relating to the production of feed grains, livestock, food, forest products and energy.
- The Department of Energy and the Department of Transportation will report on the feasibility of constructing dedicated ethanol pipelines.
- The Department of Energy and the Department of Transportation will report on the adequacy of railroad transportation of domestically produced renewable fuel.