

Contribute to the Expansion of the Bioeconomy by Supporting Development, Production, and Consumption of Renewable Energy and Biobased Products

ACHIEVEMENTS: In 2015, USDA invested \$100 million in the Biofuel Infrastructure Partnership (BIP), a partnership between the Government and States and private partners, to install nearly 5,000 pumps offering higher blends of ethanol nationwide. With the matching commitments by State and private entities, the BIP is investing a total of \$210 million to nearly double the number of fueling pumps nationwide that supply renewable fuels to American motorists. These investments will help to create new markets for agricultural commodities, support demand and increase prices paid to farmers.

USDA's Office of Energy Policy and New Uses (OEPNU) conducted research on biofuel's net energy balance, biobased products markets, life-cycle analyses, as well as renewable energy financing and technologies. OEPNU, along with other USDA agencies and the Department of Energy, participated in the Biomass Research and Development Initiative. OEPNU also coordinated and provided information, data, production and best management practices, and market and policy expertise for feedstocks being evaluated by the Environmental Protection Agency under the Renewable Fuel Standards.

In FY 2015 USDA investments in renewable energy resulted in 85,937 million kilowatt hours generated in rural America from alternative energy sources including 1,019 kilowatt hours generated through investments from Rural Development's Rural Business Services programs and 84,918 kilowatt hours generated through investments from Rural Utilities Service programs. In FY 2015 USDA was also on target to procure \$10 million in bio-based products.

CHALLENGES: Fluctuation in prices for goods used to make renewable fuels and biobased products can cause new construction delays and closures of plants; infrastructure constraints for moving biofuels to market; and complicating factors in the world grain market such as a weak dollar, growing middleclass in India and China, increase in speculative market activity and adverse weather all serve as challenges to the use and expansion of renewable energy and biobased products.