

OPIS: USDA EARMARKS \$19.4 MILLION FOR ADVANCED BIOFUEL PRODUCERS 7/30/2012

USDA today announced payments of \$19.4 million for 125 advanced biofuel producers across the country to support the production and expansion of advanced biofuels from a wide variety of non-food sources, including waste products.

The funding is being provided through USDA's Bioenergy Program for Advanced Biofuels, which was established in the 2008 Farm Bill. Under the program, payments are made to eligible producers based on the amount of biofuels a recipient produces from renewable biomass, other than corn kernel starch.

Examples of eligible feedstocks include but are not limited to: crop residue; animal, food and yard waste material; vegetable oil; and animal fat.

Some of the larger awards for biodiesel transesterification went to Imperial Western Products Inc. (California), \$710,618; **Genuine Bio-Fuel Inc. (Florida), \$504,938;** Renewable Energy Group Inc. (Iowa), \$873,622; Archer Daniels Midland Co. (Illinois), \$596,279; Midwest Biodiesel Product LLC (Illinois), \$640,572; High Plains Bioenergy LLC (Oklahoma), \$1,628,461; and Lake Erie Biofuels LLC (Pennsylvania), \$993,122.

Large awards for ethanol production went to Arkalon Ethanol LLC (Kansas), \$1,868,965; Western Plains Energy LLC (Kansas), \$3,130,184; and White Energy Inc. (Texas), \$743,124.

Other awards went for less-conventional means.

In Somerset, Ky., Somerset Hardwood Flooring is to receive a \$7,040 payment for producing wood pellets from residual sawdust from its hardwood flooring manufacturing process. The company produces about 40 tons of wood pellets annually.

FPE Renewables LLC, based in Lyden, Wash., generates nearly 2 million kilowatt hours of electricity annually. The firm is to receive a payment of

\$9,612 for producing biogas primarily from dairy waste, which is converted to electricity.

In West Point, Va., Virginia Biodiesel Refinery LLC is to receive a payment of \$7,900 for making biodiesel from recycled cooking oil and soybean oil.

"Increased biofuel production plays a relatively minor role in retail food price changes because the growing diversity of feedstock used to produce biodiesel allows for flexibility and helps relieve market pressures," USDA said. "Biodiesel is made from an increasingly diverse mix of non-food feedstocks, including recycled cooking oil, agricultural oils and animal fats, allowing most biodiesel producers to select from a choice of feedstocks if prices rise or supplies are limited."