



SENATE PASSES ENERGY BILL; PRESIDENT SAYS HE WILL SIGN IT

The United States Senate has taken a big step forward in making America more energy stable and secure while also beginning the challenging task of mitigating the effects of climate change. The bill passed by the Senate includes two important provisions. One raises Corporate Average Fuel Economy, or CAFE, standards to 35 miles per gallon by 2020. The second increases the amount of renewable fuels used annually in this country to 36 billion gallons by 2022.

The bill will now go to the House of Representatives, where it is expected to pass early next week. It will then head to the president's desk and the White House has said the president will sign it into law.

Reaction to the Bill:

White House Office of the Press Secretary:

“The Senate energy plan will update CAFE standards and enhance the use of renewable fuels. By addressing the concerns of the Administration and moving forward with a bipartisan approach, senators have taken steps to improve our economic and energy security. If this legislation makes it to the president's desk, he will sign it into law.”

House Speaker Nancy Pelosi:

“This legislation includes an historic increase in fuel efficiency standards to 35 miles per gallon by 2020 – the first such action in 32 years. It makes a major commitment to homegrown biofuels, sending our energy dollars to the Midwest, not the Middle East. It sets our nation on a new course – a new direction for energy security. The House will pass this remarkable legislation next week; I am hopeful that President Bush will sign it.”

RFA's Response:

“For too long, traditional energy companies have told us everything we can't do with respect to our energy future. This bill, and the Renewable Fuels Standard specifically, is an affirmation of what is possible when we work together to achieve a common goal. By relying more heavily on domestically produced renewable fuels, including next generation technologies such as cellulosic ethanol, we can begin the hard work necessary to mitigate the impact of global climate changes, reduce our dependence on foreign oil, and leave a more stable and sustainable future for generations that follow.”

Important Renewable Fuels Provisions in H.R. 6:

- The bill increases the Renewable Fuels Standard, which sets annual requirements for the amount of renewable fuels produced and used in motor vehicles. Under the bill, the expanded Renewable Fuels Standard (RFS) requires 9 billion gallons of renewable fuels in 2008 and progressively increases to a 36 billion gallon requirement by 2022.
- The legislation calls for 21 billion gallons of advanced biofuels use by 2022, 16 billion of which must be cellulosic ethanol.
- Promotes investment in renewable fuels infrastructure and supports research and development of new bioenergy sources.
- Invests in biofuels research to make biofuel production more efficient, and environmentally sound -- creating a new research component to improve the energy efficiency in biorefinery facilities to reduce energy consumption in the development of biofuels.
- Invests in cutting-edge research to develop new processes for turning other farm products, such as switchgrass and woodchips, into biofuels.
- Includes a variety of studies to improve the use of biofuels, focusing on optimization of flex-fuel vehicles while running on E-85, and engine durability at differing blend levels of biodiesel.