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Remarks as Prepared for Delivery by U.S. Secretary of Energy Samuel W. Bodman
Release of the National Biofuels Action Plan
Washington, D.C.

Thank you, John Mizroch.

It's good to be here with Tom Dorr and with Secretary Schafer. Our two departments' collaboration on biofuels development, begun years ago, has only strengthened over time due in large part to your personal attention and leadership.

I am pleased to be here with you to unveil the National Biofuels Action Plan which, as Secretary Schafer just said, is a strategic blueprint that shows us the way to meet the President's goal of meaningful biofuels production by the year 2022. And to do it in cost-effective, environmentally-responsible ways that utilize a science-based approach to ensure the next generation of biofuels, made primarily from feedstocks outside the food supply, is produced sustainably.

Two years ago President Bush challenged America to end its addiction to oil. Through his "Twenty In Ten" plan he has asked us to reduce our gasoline use by 20 percent in 10 years. While that sounds like a tall order, the reality is quite different. We can indeed- we are displacing some of the transportation fuels used everyday with alternative fuels like corn-based ethanol and biodiesel.

The challenge is to find ways to go farther and to go faster. The simple fact is that we cannot sustain the level of biofuels production needed to meet our future energy requirements if we continue to rely solely on ethanol derived from food stocks like corn. We must progress to the next level. That means we must accelerate the development and deployment of next generation biofuels, fuels made from cellulose, algae and from other non-food products as well as fuels compatible with our existing energy infrastructure including renewable diesel, green gasoline and bio-butanol.

The reality is that world energy demand will – according to the International Energy Agency increase by 50 percent by the year 2030. To ensure America's energy security, at that time if not sooner, we must have a robust, vibrant and sustainable next generation biofuels industry thriving here in the United States. This is why the National Biofuels Action Plan is so important. It shows us the way to enhance our energy security and to prepare for tomorrow's energy challenges.

Today, we are issuing this blueprint as we continue to take direct action through a three-pronged approach that engages the Department of Energy's network of national laboratories, the academic community and the private sector to advance biofuels' deployment and development.

In addition to the Biofuels Action Plan we are releasing today the first report on the potential impacts of intermediate ethanol blends on conventional vehicles and other gasoline engines.

Currently, U.S. consumers can use E10 gasoline blended with 10 percent ethanol in their conventional vehicles.

However, the E10 market will likely reach saturation in a few years; and there are some parts of the United States, like the Midwest, where it is already occurring.

Our report, published jointly by the Department of Energy's National Renewable Energy Laboratory and Oak Ridge National Laboratory, provides the results of tests using E15 and E20 on 13 popular late model vehicles and 28 small, non-road engines including lawn equipment and generators.

The initial data indicates that regulated emissions and exhaust temperatures in cars running on E15 and E20 do not change substantially from those running on currently available fuels. And while additional studies are needed on a wider range of vehicles and engines, this data is encouraging.

Another significant development for biofuels is the agreement I am announcing today with POET to construct and operate a commerical-scale biorefinery co-located at the Emmetsburg, Iowa. The ethanol plant will use corn cob and potentially corn fiber to increase plant production of ethanol by 25 million gallons per year.

This is only the second major cellulosic-ethanol biorefinery construction award and is one the largest the department has ever made in renewable energy. In total, the Department's investment in this cost-shared project approaches $80 million out of a total expected project cost of nearly $200 million.

Finally, the Department of Energy is today announcing an investment of up to $7 million in five, cost-shared, advanced biofuels projects seeking to develop technologies to convert non-food feedstocks into stabilized pyrolysis oil, a bio-oil closely resembling a combination of gasoline and diesel fuel that can be used to produce cost-effective, greenhouse-gas neutral, renewable fuels in existing petroleum refineries.

The five projects, undertaking in partnership with the private sector, will be located at: UOP LLC, a Honeywell Company, Virginia Polytechnic Institute & State University, Iowa State University, RTI International and the University of Massachusetts-Amherst.

These announcements are part of the more than $1 billion the Department of Energy has invested since the beginning of 2007 to develop a sustainable next-generation biofuels industry. Our investments support the development of integrated biorefineries, efforts to advance biomass conversion technologies, and research and development on a wide range of cellulosic feedstock including those that move beyond ethanol.

We have committed close to $400 million over five years to establish and operate three cutting-edge Bioenergy Research Centers where the great strides we've made in human genomics are now being applied to our energy challenges. And, I am pleased to tell you, these centers are already showing signs of progress.

All of these investments are all designed to make sustainable, mass-produced, commercially-available, advanced biofuels a reality for the American consumer. In my judgment, America has begun its journey toward meeting these goals. We can achieve the production of cost-effective, environmentally-responsible, renewable, and sustainable transportation fuels on a mass scale. The National Biofuels Action Plan is a critically important step in that direction.

Thank you.

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