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U.S. House passes climate bill with important corrections to biofuels' carbon footprint calculation, Ethanol industry applauds the move

Sioux Falls, SD (June 26, 2009) – The American Coalition for Ethanol (ACE) today applauded the U.S. House of Representatives' passage of a climate bill that included critically important corrections to the way the carbon footprint of biofuels would be calculated. The "American Clean Energy and Security Act of 2009," H.R. 2454, passed today by a 219 to 212 margin. ACE is the nation's largest ethanol advocacy association, representing grassroots members nationwide including ethanol producers, farmers, small businesses, and the agriculture community.

Earlier in the week, House leaders reached a deal ensuring there is solid scientific evidence before the emissions from land use changes in foreign countries can be attributed to the carbon footprint of biofuels. In testimony before the House Agriculture Committee on May 21, ACE Executive Vice President Brian Jennings pointed out that the predictions from the "international land use change" models are not corroborated by on-the-ground data and argued that Congress should insist upon more scientific scrutiny before allowing EPA to charge forward with these carbon penalties.

"Singling out biofuels for selective enforcement of these computer-predicted 'indirect effects' while holding petroleum harmless for its known indirect effects is scientifically indefensible and just plain bad public policy," Jennings stated today. "House leaders did the right thing by ensuring science, not politics, would determine whether EPA can go forward with this highly controversial theory. ACE is grateful to Agriculture Committee Chairman Collin Peterson for his leadership on this issue."

Rep. Peterson worked with House Energy and Commerce Committee Chairman Henry Waxman and Speaker of the House Nancy Pelosi to ensure that biofuels were treated fairly in the bill. According to the agreement, an entity such as the National Academy of Sciences will conduct a study on whether there is a link between biofuels use in the U.S. and tropical deforestation. In the mean time, EPA would be prevented for at least five years from imposing such a greenhouse gas penalty on biofuels. At the end of five years, EPA, the Department of Energy and USDA will all need to agree that such links occur and can be effectively predicted using computer models, and Congress will have one year after such a determination to review the issue before EPA could move forward.

"When you have Representatives from rural Minnesota, San Francisco, and Beverly Hills agreeing on an issue like they did here on the issue of international land use change and biofuels, it sends an incredibly strong signal that the politics were getting ahead of science on this issue, and we urge the EPA to take notice as part of the RFS2 rulemaking," Jennings said. "While we're pleased with the House's passage of this bill, we recognize that at this stage the EPA still proposes to ascribe a carbon penalty to biofuels based on unsubstantiated predictions of international land use changes. ACE is calling on the Senate to adopt language similar to how the House corrected this unfair carbon penalty, and we ask EPA to reconsider its approach."

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The American Coalition for Ethanol (ACE) is the grassroots voice of the U.S. ethanol industry, a national trade association for the ethanol industry with 1500 members nationwide, including farmers, ethanol producers, commodity organizations, businesses supplying goods and services to the ethanol industry, rural electric cooperatives, and individuals supportive of increased production and use of ethanol. For more information about ethanol or ACE, visit www.ethanol.org or call (605) 334-3381.