July 27, 2011

The Honorable Daniel Inouye
Chairman
U.S. Senate Appropriations Committee
S-128 Senate Capitol Building
Washington, DC 20510

The Honorable Herb Kohl
Chairman
U.S. Senate Appropriations Subcommittee
Agriculture, Rural Development, Food and Drug
Administration and Related Agencies
184 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Thad Cochran
Ranking Member
U.S. Senate Appropriations Committee
S-146A Senate Capitol Building
Washington, DC 20510

The Honorable Roy Blunt
Ranking Member
U.S. Senate Appropriations Subcommittee
Agriculture, Rural Development, Food and Drug
Administration and Related Agencies
190 Dirksen Senate Office Building
Washington, DC 20510

Dear Senators Inouye, Kohl, Cochran, and Blunt:

On June 10, several of your Senate colleagues wrote to you to express their concerns with action by the U.S. House of Representatives to reduce or eliminate funding for vital Farm bill energy programs within the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act of 2012 (H.R. 2112) of most of the Farm Bill's vital energy programs. The House subsequently passed that legislation with those drastic cuts largely intact. We, the undersigned organizations, share the concerns previously voiced by your colleagues about this drastic action. We urge you to reject these cuts, which would undermine our nation's domestic energy security and rural development interests.

Lawmakers from across the political spectrum want the U.S. to produce more energy of all kinds here at home and reduce our nation's dependence on imported supplies of energy, much of which comes from regions of the world that do not share our strategic national interests. In enacting the bipartisan 2008 Farm Bill (Pub. L. 110-246), Congress enacted policies that promote energy self-sufficiency and rural economic development. Several unique and vital programs within that law help to develop, deploy and commercialize renewable electricity, advanced biofuels/biopower/bioproducts and energy efficiency throughout rural America.

These Farm Bill Energy programs are now producing real and measurable results, including:

• Economic development and job creation across the country, with many jobs being created in struggling rural communities;

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- A cleaner and more abundant energy supply in both the transportation and electricity sector that helps lower energy costs in the U.S.;
- More energy efficiency to reduce costs and increase profits;
- More and better feedstocks for manufacturing new biofuels, power and products; and
- Stronger national security by increasing our production of energy domestically.

Several of the Farm Bill's energy programs stand out in their importance to the future economic and energy security of our country, and yet HR 2112 would eliminate most of them. First, the Rural Energy for America Program (REAP) responds to the call of farmers and rural businesses throughout America for financing to improve the energy efficiency of their operations, cut their energy bills and boost revenue. They utilize REAP to help build wind, solar, biomass, geothermal and other clean energy projects to gain control over their energy use and increase their income. REAP is generating significant job and economic benefits in nearly every state in the country. HR 2112 cut mandatory funding for REAP dramatically for Fiscal Year 2012; we urge you to reverse this action and provide strong, sustainable funding for REAP.

Second, the Biorefinery Assistance Program provides critical financing for our nation's first generation of commercial-scale advanced biorefineries, reducing investor risk and providing well-paying construction and operation jobs in rural communities. This program is critical to the construction of these first-of-a-kind biorefineries that must be built if we hope to broaden biofuel feedstocks and fuels and enable the nation to continue to replace petroleum-derived gasoline with advanced biofuels as mandated in the Renewable Fuel Standard. HR 2112 would provide no funding for this program; we urge you to appropriate strong funding to ensure this program continues in Fiscal Year 2012.

Third, expanding domestic biomass availability requires the development of dedicated new energy crops, and most farmers are unable to assume the risk of doing so without some risk management tools. The Biomass Crop Assistance Program (BCAP) is the only federal program in existence that supports farmers interested in producing new energy crop biomass feedstocks. It offers cost share payments to farmers to establish and grow these new feedstocks for biorefineries to produce advanced biofuels. The program also supports the development of feedstocks for important biopower and bioproduct commercialization. HR 2112 would eliminate funding for this program; we urge you to reverse this action and provide strong funding for BCAP as well.

While recognizing the very real budgetary constraints currently facing the Appropriations Committee, robust funding for these programs in the Agriculture Appropriations Bill is a judicious investment in abundant, renewable, domestic, clean energy infrastructure and should receive priority consideration

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within a fiscally responsible agriculture appropriations bill. With strong bipartisan national interest in agriculture-based energy solutions, we urge you to support these funding priorities in Fiscal Year 2012.

Sincerely,

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Advanced Biofuels Association

Agriculture Energy Coalition

American Biogas Council

American Coalition for Ethanol

American Council on Renewable Energy

Association of Equipment Manufacturers

Biomass Coordinating Council

Biomass Power Association

Biotechnology Industry Association

Distributed Wind Energy Association

Environmental and Energy Study Institute

Environmental Law and Policy Center

Growth Energy

National Farmers Union

National Wildlife Federation

Renewable Fuels Association

Windependence, the Maine Wind Working Group

Windustry