

Agricultural Renewable Energy Forum



PUBLIC POLICY OPPORTUNITIES
AND
CHALLENGES...

New York Farm Bureau



- Almost 30,000 members across NY
- Wide variety of agricultural operations
- Registered lobbyists representing the farm industry in Albany and Washington, DC



Governor's Task Renewable Energy Task Force



- Convened in 2007
- Promote energy efficiency and conservation throughout the state
- Identify promising areas for state research and development
- Review state policies and regulations affecting development of renewable and alternative energy
- Develop incentives to attract clean energy industries to economically depressed regions of the state

Final Report Recommendations



- 8X more solar photovoltaic energy generation– over 100 megawatts by 2011
- Increase the renewable energy supply in New York State to meet 25 percent of electricity demand by 2013
- Developing new business incentives to attract renewable energy technology companies to New York
- Develop a “green collar” workforce
- Renewable Fuels Roadmap

Renewable Fuels Roadmap



- “The current **shortage of widely accepted environmental and public health data** relative to emissions and **land use impacts** associated with renewable fuel use in stationary and mobile applications, makes it difficult for policy makers to identify those specific renewable fuels which will prove to be most **environmentally sustainable.**”

Infrastructure and Incentives



- You have to walk before you run...
- Ethanol production in New York
 - WNY
 - NEBF
 - Biodiesel
- NYSERDA Incentives for E85 fuels stations
- E85 fuel stations on Thruway?
- Ethanol production incentives
- Buzz words – “land use impacts” and “environmentally sustainable” are always the filter

Regional Greenhouse Gas Initiative



- 10 Northeastern states
- Cap and trade emissions from electricity generators
- “Offsets” – methane digesters, afforestation
- Allowance auctions – September and December 2008
 - NY’s allocation is 62 million tons of CO₂/year
- September price @ \$3/credit (1 ton of CO₂)
- Expected revenue for NY
 - \$38 million from December auction
 - \$200 million annually from quarterly auctions

Regional Greenhouse Gas Initiative



- RGGI Funding To NYSERDA
- Will be used to promote “energy efficiency, renewable or non-carbon emitting technologies”
- Agriculture, Forestry and **Sustainable** Bioenergy
 - Methane digesters
 - Thermal and electric power from biomass
 - Cellulosic feedstock supply investment
 - Build large scale cellulosic ethanol production facilities
 - Incentives to build market
 - *Wood boilers*
 - *On-farm wind?*

Legislation



*FIRST CHALLENGE... WHO IS THE
SENATE MAJORITY???*

Legislative Wins!



- **Ethanol Production Tax Credit (2006)**
 - 15 cent per gallon *refundable* tax credit for ethanol or biodiesel production over 40,000 gallons
 - Capped at \$2.5 million per year per facility for a period of four consecutive years
- **Extends PIT tax credit for the use of bio-heat for residential home heating in NYC (vetoed).**
- **\$20 million for cellulosic commercialization (2006)**
- **Net metering (2008)**
 - Methane digesters can net meter up to 500 kW
 - Wind, solar, fuel cells can net meter up to 2 MW

New Legislation



- Maintain 2006 ethanol/biodiesel tax credit
- Increase net metering limit for digesters over 500 kW
- S. 7932 -- 40 cent/gallon production tax credit for cellulosic ethanol
- A. 8561 – 30 cent/gallon production tax credit for cellulosic ethanol or biodiesel
- A. 8821 – Requires NYS truck fleet to use B-20
- S. 6198-A -- Real property tax credit replanting or crop expansion of woody biomass

2009



- Continue to capture momentum caused by high energy prices
- Keep track of Biofuels Roadmap
- Stay involved in RGGI Auction Process
- Continue to provide insight into “sustainable” and “land use” impacts on renewable fuel production
- Continue to push for programs and legislation that will provide energy independence, create jobs and support the agricultural industry

Questions?

