



T h e E n e r g y F o u n d a t i o n
Toward a sustainable energy future

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New Report Outlines Agriculture's Role in U.S. Energy Security

Harvesting clean energy from America's farms and fields can produce substantial new energy, enhance the environment and help rural communities at the same time.

A new report recommends a series of federal and state policy changes that would enable America's rural landscape to provide a significant share of the nation's energy needs, help rescue a struggling rural economy and improve the environment. All regions of the country could benefit by processing more biofuels and by developing wind energy.

The report, "The New Harvest: Biofuels and Wind Power for Rural Revitalization and National Energy Security," projects that biofuels, including ethanol from corn stover, wheat straw, grasses and other sources of cellulose, could largely replace gasoline in the vast majority of light-duty vehicles by 2050 – if policies are put into place now. Wind power, at costs competitive with coal and natural gas electricity, could provide 10 percent of U.S. power supplies by 2020.

"These new sources of clean energy would increase our country's energy security at a time when rapidly growing Asian economies are competing with us for a limited global supply of fossil fuels," says Bentham Paulos, project manager for the Energy Foundation. "As farmers and rural communities look for value-added products they can sell to increase revenues, the \$200 billion annual electricity market and the \$300 billion motor fuels markets start to look very attractive."

For example, the ability to sell corn for ethanol can increase a farmer's income by \$10 per acre. A single ethanol plant in a community can add \$110 million to the local economic base. Similarly, using land to generate wind power can increase a farmer's income by thousands of dollars per year, create construction and infrastructure jobs and generate millions in property taxes for local institutions. At a time when global trade treaties are changing the current system of subsidy payments to farmers, these new income sources could sustain rural economies and tax-supported institutions.

The report, funded by the Energy Foundation in partnership with the McKnight Foundation, calls for a national partnership of agricultural and energy interests and a bipartisan political strategy to unite and solidify a rapidly growing Ag-Energy sector.

The report answers questions that have been raised about renewable energy – questions about efficiency, the ability to grow food and fuel at the same time and the amount of fossil fuel needed to produce ethanol. It concludes that new technologies and new ethanol-compatible crops such as switchgrass can make Ag Energy a win-win-win for America's energy security, rural economy and the environment if policies are put into place soon.

To view the report, go to: <http://www.ef.org/biofuels>

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