

## **Responding to Concerns About Biofuels**

- Biofuels policies adopted by the Oregon Legislature are achieving what they intended – increasing use of lower-carbon fuels and supporting Oregon’s rural economy. Biofuels incentives are driving regional production of sustainable fuel feedstocks. Were the Legislature to roll back the Renewable Fuel Standard, the industry would have less of an incentive to move toward even more environmentally and socially acceptable methods and employ technologies that use non-food sources, such as wood and agricultural wastes and non-food crops grown on lands that do not compete with food crops.
- Oregon can do even better at promoting sustainable biofuels. The state can craft and adopt policies such as the low-carbon fuel standard that reduce carbon across all types of fuels and drive technology innovation in biofuels and other transportation fuels and modes.
- The popular message in the media is that biofuels are causing global food prices to increase. These oversimplified critiques don’t stand up to scrutiny of the most recent studies, which illuminate many other factors affecting food prices. These factors include the rising cost of petroleum-based energy inputs, higher labor costs, the declining value of the U.S. dollar, serious droughts occurring throughout the world, food commodity speculation, and burgeoning food demand in developing nations. Biofuels production likely has some impact on food prices, but far smaller than recent media stories suggest. For more analysis, visit OEC’s web site for links to helpful reports and resources:  
<http://www.oeconline.org/economy/responding-to-concerns-about-biofuels>
- Placing sole blame for land use changes on biofuels is unjustified. Many factors drive land use change, such as urban sprawl and deforestation for hardwoods. A thorough accounting of land use changes in models used to evaluate all fuel types (not just biofuels) is necessary for an apples-to-apples comparison of our energy resources.
- Critics frequently claim that biofuels increase emissions of heat-trapping greenhouse gases. Numerous and reputable scientific studies demonstrate that the current generation of biofuels actually decrease greenhouse gas emissions relative to petroleum-based fuels, and technological advances already underway will reduce those emissions even further.
- While we can and must reduce our demand for transportation fuels, we won’t wean ourselves off of oil overnight, and oil isn’t getting any cleaner. More energy and water go into extracting and producing increasingly marginal oil supplies, which come with ever-higher environmental and global warming costs.
- Biofuels are being compared against each other, and in the best case, against refined gasoline, and not against the most polluting fuel alternatives, such as oil from tar sands. With oil reaching unprecedented prices, development of even less sustainable oil fields has now become economically viable, and is attracting billions of dollars of capital investment by all of the major

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U.S. oil companies—dwarfing their investment in renewable alternatives. The negative environmental and economic impacts of this investment decision are far greater than even today's petroleum production. We need credible scientific analyses that compare biofuels with both current and projected production methods for petroleum fuels that take into account dirtier production from carbon-intensive resources like tar sands.

### **Positive Environmental and Economic Attributes of Biofuels in Oregon**

- Oregon has set targets to reduce global warming emissions to levels that are 10% less than 1990 levels by 2020 and 75% below 1990 levels by 2050. While reducing overall demand for fuels through better vehicle technology and attractive alternatives to car travel will go a long way toward meeting these targets, smart use of biofuels will continue to be necessary. That means we must develop even more environmentally and socially sound production methods for biofuels that utilize non-food sources.
- As we expand the use and production of biofuels in Oregon, we must safeguard the environment and accelerate the development of advanced biofuels, like cellulosic ethanol. Fortunately, state policies promoting biofuels have these performance standards built in. For example, grain corn producers do not receive the biofuel producer tax credit, and biodiesel derived from palm oil does not count toward achieving the standard. Oregon has positioned itself to reap the benefits of biofuels production.
- Biofuels create high-quality Oregon jobs, support rural economies, and reduce reliance on imported oil. For example, here in the Northwest, more than \$500 million has been invested in biodiesel and ethanol production during the past two years, leading to family-wage jobs and needed tax revenues in communities such as Gray's Harbor, Washington; Clatskanie, Oregon; and Burley, Idaho. Jobs geared toward continued development of conventional petroleum resources don't directly benefit Oregon workers. This is most noted in the absence of petroleum refineries in the state.
- The current generation of biofuels has resulted in development of quality standards, distribution methods, equipment performance, operator and maintenance training, and equipment vendor and consumer acceptance that are indispensable and essential to a future multi-feedstock industry.