

## Energy Policy Act of 2005 - Biomass Provisions Relative to the Northeast\*

Compiled by the Northeast Regional Biomass Program

<b>Research Provisions</b>					
<b>Title/Section</b>	<b>Agency</b>	<b>Fuel</b>	<b>Program</b>	<b>Authorization</b>	<b>Comments</b>
<b>Title IX. Research and Development.</b> <b>Sec. 931. Renewable Energy</b> <b>(f) Rural Demonstration Projects</b>	DOE in consultation with USDA	Electricity	Shall demonstrate the use of renewable energy technologies (including biomass, wind power and geothermal) to assist in delivering electricity to rural and remote locations.	Total for ALL programs under Sec. 931: FY2007:\$632M FY2008:\$743M FY2009:\$852M	Track appropriations; Seek program guidelines and requirements
<b>Title IX. Research and Development.</b> <b>Sec. 932. Bioenergy Program</b> <b>(c) Biofuels and Bioproducts Programs</b>	DOE	Biofuels made from lignocellulosic feedstocks and Bioproducts made using enzyme-based processing systems and other advanced biotechnology.	Partnership with industry and institutions of higher education to develop advanced biochemical and thermochemical conversion technologies from lignocellulosic feedstocks that are price competitive; develop enzyme-based processing systems capable of making biofuels and bioproducts; develop other advanced processes to develop cost-effective bioproducts using biofuels.	<i>Sec 931. Renewable Energy</i> authorizes Sec. 932 as follows: FY2007:\$213M FY2008:\$251M FY2009:\$274M *each amount includes a specified amount for Sec. 932 (d)	Track appropriations; Seek program guidelines and requirements
<b>Title IX. Research and Development.</b> <b>Sec. 932. Bioenergy Program</b> <b>(d) Integrated Biorefinery Demonstration Projects</b>	DOE	Integrated Bio-refineries	A program to demonstrate the commercial application of integrated biorefineries. Shall ensure geographical distribution and consider demonstration of a wide variety of lignocellulosic feedstocks, collection and treatment of a wide variety of biomass feedstocks, & commercial application for a variety of uses. Must be able to make a profit and be easily replicated.	out of the above: FY2007:\$100M FY2008:\$125M FY2009:\$150M No more than \$1M for a single project.	Solicit proposals no later than 6 months after enactment (February 8, 2006)
<b>Title IX. Research and Development.</b> <b>Sec. 932. Bioenergy Program</b> <b>(e) University Biodiesel Program</b>	DOE	Electric power generators using Biodiesel up to B100	A demonstration program for electric generation facilities owned by institutions of higher education. Shall examine heat rate, reliability, performance in freezing weather, stability, and other criteria determined by the Secretary.	Listed above; there is one authorization for all 3 programs of Sec. 932	Track appropriations; Seek program requirements
<b>Title XV. Ethanol and Motor Fuels. Sec. 1514. Advanced Biofuel Technologies Program</b>	EPA, in consultation with USDA and the Biomass Research and Development Technical Advisory Committee	Alternative Transportation Fuels	Demonstration projects for not less than 4 different conversion technologies for cellulosic ethanol and not less than 5 technologies for co-producing value-added bioproducts resulting from the production of biodiesel. Priority given to the enhancement of geographical diversity and feedstocks that represent 10 percent or less of ethanol/biodiesel production in the U.S.	\$100M from FY2005 through FY2009	Track appropriations; Seek program guidelines and requirements

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<b>Outreach and Education</b>					
<b>Title/Section</b>	<b>Agency</b>	<b>Fuel</b>	<b>Program</b>	<b>Authorization</b>	<b>Comments</b>
<i><b>Title IX. Research and Development.</b> <b>Sec. 945. Regional Bioeconomy Development Grants</b></i>	USDA	Growth of the Regional Bioeconomy	Grants to regional bioeconomy development associations, agricultural or energy trade associations, or Land Grant institutions for coordination, education, and outreach to support and promote growth of the region's bioeconomy. Each recipient is only eligible once for the grant.	\$1M for FY2006; such sums necessary for FY2007 - FY2015. Each grant under \$500,000; must provide matching non-Fed. funds in advance of grant.	Track approps; Seek program guidelines and requirements
<i><b>Title IX. Research and Development.</b> <b>Sec. 947. Biobased Fuels and Biobased Products Outreach and Education Program</b></i>	USDA	Biobased Fuels and Biobased Products	Education and Outreach consisting of training and technical assistance for feedstock producers and public education and outreach for consumers.	\$1M for each year from FY2006 through FY2010	Track approps, guidelines and requirements
<b>Loans and Rebates</b>					
<b>Title/Section</b>	<b>Agency</b>	<b>Fuel</b>	<b>Program</b>	<b>Authorization</b>	<b>Timetable</b>
<i><b>Title XV. Ethanol and Motor Fuels.</b> <b>Sec. 1511. Renewable Fuel.</b> <b>(b) Cellulosic Biomass Ethanol and MSW Loan Guarantee Program</b></i>	DOE	Cellulosic biomass ethanol and sucrose-derived ethanol	Loan guarantees to carry out not more than 4 projects to commercially demonstrate the feasibility and viability of producing cellulosic biomass or sucrose-derived ethanol; including at least 1 project using cereal straw and 1 project using MSW. Each must have at least a 30M gal/year capacity. Each applicant must provide certain assurances and at least 20% of the total cost.	"Funds may be provided for the cost" of this subsection. Loan guarantees may be for up to 80% of the project cost; not to exceed \$250M	Track availability of program; track rules formation for comments
<i><b>Title II. Renewable Energy</b> <b>Sec. 206. Renewable Energy Security.</b> <b>(c) Rebate Program</b></i>	DOE	Renewable energy systems including pellet stoves	Rebates for expenditures for installation of a renewable energy system (including energy derived from biomass) in a dwelling unit or small business. Amount of rebate is the lesser of 25% of expenditures or \$3,000.	FY2006: \$150M FY2007: \$150M FY2008: \$200M FY2009: \$250M FY2010: \$250M	Track availability of program and regulations

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<b>Grants</b>					
<b>Title/Section</b>	<b>Agency</b>	<b>Fuel</b>	<b>Program</b>	<b>Authorization</b>	<b>Comments</b>
<b>Title II. Renewable Energy.</b> <i>Sec. 201. Assessment of Renewable Energy Resources</i>	DOE	Renewable Energy Resources in the U.S.	Assessment, report and detailed inventory of available renewable energy resources within the U.S. (including biomass), which will be useful in developing such resources.	\$10M for each of FY2006 through FY2010	Assessment: 2/8/2006 Report: 8/8/2006 Same for each year thereafter.
<b>Title II. Renewable Energy.</b> <i>Sec. 209. Rural and Remote Community Electrification Grants</i>	DOE in consultation with USDA and DOI	Electricity in rural areas (using biomass, landfill gas and livestock methane).	Grants to increase energy efficiency, siting or upgrading transmission and distribution lines, or providing or modernizing electric generation facilities that serve rural areas. Preference is given to renewable energy facilities including biomass, landfill gas and livestock methane.	\$20M for each of FY2006 through FY2012	Track appropriations
<b>Title II. Renewable Energy.</b> <i>Sec. 210. Grants to improve the commercial value of forest biomass for electric energy, useful heat, transportation fuels, and other commercial purposes.</i> <i>(b) Biomass Commercial Use Grant Program</i>	USDA or DOI, whichever is "concerned"	Electric energy, sensible heat or transportation fuels.	Grants to any person in a preferred community* for a facility that uses biomass as a raw material to produce electric energy, sensible heat or transportation fuels to offset the costs incurred to purchase biomass for such use.  *Preferred community is any Indian Tribe, unit of local government with a population of less than 50,000 or county not within a metropolitan statistical area, and near Federal or Indian land that is at risk or suffers from catastrophic wildfire, disease or insect infestation.	\$50M to each of FY2006 through FY2016, to carry out Subsections (b) and (c). No grant shall exceed \$500,000.	Track appropriations
<b>Title II. Renewable Energy.</b> <i>Sec. 210. Grants to improve the commercial value of forest biomass...</i> <i>(c) Improved Biomass Use Grant Program</i>	USDA or DOI	Research and Development of Biomass	Grants to offset the costs of R&D projects to improve the use and/or add value to biomass. Preference given the preferred communities* (See above) and public benefits, business expansion, job creation, improved efficiency and cleaner technologies and reduction of hazardous fuels.	See above; same as subsection (b)	See above; Same as subsection (b)
<b>Title IX. Research and Development.</b> <i>Sec. 942. Production Incentives for Cellulosic Biofuels</i>	DOE, in consultation with USDA, DOD and EPA	Cellulosic Biofuels	Incentive program for the production of biofuels on a per gallon basis until the first reverse auction, for the purpose of acceleration of deployment and commercialization of biofuels, and ensure that small producers are full participants.	Awards issued beginning with the entity with the lowest per gallon bid for the incentive.	First reverse auction shall be one year after US production of cellulosic biofuels is 100M or 3 years after enactment.
<b>Title IX. Research and Development.</b> <i>Sec. 944. Small Business Bioproduct Marketing and Certification Grants</i>	USDA	Biobased Products	Grants for manufacturers for product marketing and certification by the USDA. Preference given to entities with less than 50 employees. Recipients are only eligible once and must provide matching non-Fed. funds in advance. No grant to exceed \$100,000	FY 2006: \$1M such sums necessary for FY2007-2015	Track appropriations, rules and regulations
<b>Title XV. Ethanol and Motor Fuels.</b> <i>Sec. 1511. Renewable Fuels</i> <i>(d) Renewable Fuel Production Research and Development Grants</i>	EPA	Renewable fuel in RFG states	Grants for research, development and implementation of renewable fuels in RFG states with low ethanol production. Eligible entities are academic institutions and consortia made up of academic institutions, industry and government agencies that have proven experience and capabilities with relevant technologies.	\$25M for FY2006 through FY2010	Track appropriations, rules and regulations
<b>Title XV. Ethanol and Motor Fuels.</b> <i>Sec. 1511. Renewable Fuels</i> <i>(e) Cellulosic Biomass Ethanol Conversion Assistance</i>	DOE	Cellulosic biomass ethanol	Grants to merchant producers in the U.S. to build eligible production facilities for the production of cellulosic biomass ethanol (derived from agricultural residues or MSW).	FY2006: \$250M and FY2007: \$400M	Track appropriations, rules and regulations
<b>Title XV. Ethanol and Motor Fuels.</b> <i>Sec. 1512. Conversion Assistance</i>	DOE	Cellulosic ethanol and waste-derived ethanol	Grants to assist in building production facilities for cellulosic ethanol, waste-derived ethanol and approved renewable fuels (derived from agricultural residues, wood residues, MSW or agricultural byproducts).	FY2006: \$100M FY2007: \$250M FY2008: \$400M	Track appropriations, rules and regulations

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Policy Changes				
Title/Section	Agency	Fuel	Program	Comments
<b>Title II. Renewable Energy.</b> <b>Sec. 205. Biobased Products</b>	EPA	Biobased Products	Federal procurement of biobased products now requires that the products must also have the shortest period of decomposition time possible.	
<b>Title II. Research and Development.</b> <b>Sec. 211. Sense of Congress Regarding Renewable Energy Projects.</b>	DOI	Non-hydropower renewable energy projects	The Secretary of the Interior should seek to have approved renewable energy projects located on public lands with a generation capacity of at least 10,000MW of electricity.	Timetable: Within 10 years of Enactment (August 8, 2015)
<b>Title IX. Research and Development.</b> <b>Sec. 941. Amendments to the Biomass Research and Development Act of 2000</b>	DOE	Biomass Research and Development	Makes significant changes to the Biomass R&D Act of 2000 (Public Law 106-224; 7 U.S.C. 8101 note). Provides specific guidance on awards made under the initiative. The technical areas are now focused on advanced feedstock production and harvesting, overcoming recalcitrance of cellulosic biomass, the diversification of biobased products from a biorefinery, and analysis that provides strategic guidance for biomass technologies. Increased the authorization of funding from \$54 million to \$200 million for each of FY2006 through FY 2015; includes guidance for the distribution of projects funded through the Initiative. The Secretary of Energy is required to update the Vision and Roadmap documents	
<b>Title IX. Research and Development. Sec. 943. Procurement of Biobased Products</b>	Administration Committee in the Senate and House of Representatives	Biobased Products	(b) Capital Complex Procurement: Federal procurement requirements apply to the Capital Complex.  (c) Education: a program of public education that provides access to further information on biobased products to visitors and uses the Capital Complex as a showcase for the existence and benefits of biobased products.	Timetable: Not later than 90 days after enactment (November 8, 2005) procedures shall be established to allow the Capital Complex to meet Federal procurement requirements.
<b>Title XII. Electricity.</b> <b>Sec. 1253. Cogeneration and Small Power Production Purchase and Sale Requirements.</b>	FERC	Electricity from Cogeneration and Small Power Facilities	Termination of mandatory purchase and sale requirements; rule-making for new qualifying cogeneration facilities seeking to sell electric energy to ensure output is used in a productive manner and not fundamentally intended for sale.	FERC shall issue a rule revising the criteria for the cogeneration facilities within 180 days (by February 8, 2006)
<b>Title XV. Ethanol and Motor Fuels.</b> <b>Sec. 1501. Renewable Content of Gasoline</b>	EPA and DOE	Renewable Fuel, including waste derived ethanol and cellulosic biomass ethanol.	Establishment of a Renewable Fuels Standard - 4 billion gallons by 2006, 4.7 by 2007, 5.4 by 2008, 6.1 by 2009, 6.8 by 2010, 7.4 by 2011 and 7.5 by 2012. For 2013 and each year thereafter 250 million gallons must be derived from cellulosic biomass. One gallon of cellulosic biomass ethanol is considered the equivalent of 2.5 gallons of renewable fuel. Cellulosic biomass ethanol includes facilities where waste materials are used to displace 90 percent or more of the fossil fuel normally used to produce ethanol. The RFS does not apply to small refineries (up to 75,000 gallons). A credit trading program is also established. Waivers on a per year basis may be granted on petition by one or more states.	August 8, 2006: EPA regulations to ensure goal is met. February 8, 2006: DOE assessment of 2006 consumer impacts. May 8, 2006: EPA may waive 2006 requirements based on DOE assessment. October 31, 2005-2011: EIA estimate of gallons sold or introduced in the U.S. November 30, 2005-2012: EPA must release renewable fuel obligation to ensure requirements are met.

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<b>Tax Incentives</b>		
<b>Title/Section</b>	<b>Fuel</b>	<b>Incentive</b>
<i><b>Title XIII. Tax Incentives.</b> <b>Sec. 1301 and 1302. Extension and Modification of Renewable Electricity Production Credit</b></i>	Renewable Electricity	Placed in service date extended 2 years to January 1, 2008 for: biomass, geothermal, small irrigation power and wind power; Expanded credit period from 5 years to 10 for: open-loop biomass, MSW, geothermal, solar energy and small irrigation power; added hydroelectric and Indian coal as new qualifying resources.
<i><b>Title XIII. Tax Incentives.</b> <b>Sec. 1303. Clean Renewable Energy Bonds</b></i>	Renewable Electricity	95 percent of the proceeds of issuing the bond are to be used (within five years) for qualified projects (wind, biomass, geothermal, solar, small irrigation power, landfill gas, trash combustion, hydroelectric or refined coal) by qualified borrowers (mutual or cooperative electric company or governmental body). Qualified issuers are: clean renewable energy bond lenders, cooperative electric companies or governmental bodies. The bond may be issued for reimbursement of expenditures if it is issued within 18 months after the original expenditure is made.
<i><b>Title XIII. Tax Incentives.</b> <b>Sec. 1342. Credit for Installation of Alternative Fueling Stations</b></i>	E85 and B20 Refueling Stations	Establishes a credit for the installation of alternative refueling stations for 30 percent of the cost. E85 and B20 fueling stations would qualify. Stations must be placed in service by December 31, 2009.
<i><b>Title XIII. Tax Incentives.</b> <b>Sec. 1344. Extension of Excise Tax Provisions and Income Tax Credit for Biodiesel</b></i>	Biodiesel	Extends the credit by 2 years to December 31, 2008 (The excise tax credit amounts to half a penny per percentage of biodiesel blended with petroleum diesel and a penny per percentage for agri-biodiesel; it is taken at the blender level).
<i><b>Title XIII. Tax Incentives.</b> <b>Sec. 1345. Small Agri-Biodiesel Producer Credit</b></i>	Agri-biodiesel	10 cents per gallon of agri-biodiesel that is produced and sold during the taxable year. The qualified production may not exceed 15M gallons per year. An eligible small agri-biodiesel producer has a productive capacity of up to 60M gallons per year.
<i><b>Title XIII. Tax Incentives.</b> <b>Sec. 1346. Renewable Diesel</b></i>	Renewable Diesel	Provides that renewable diesel be treated in the same manner as biodiesel. Renewable diesel is diesel fuel derived from biomass using a thermal depolymerization process which meets the EPA requirements for fuels and fuel additives and the ASTM D975 or D396.
<i><b>Title XIII. Tax Incentives.</b> <b>Sec. 1347. Modification of Small Ethanol Producer Credit</b></i>	Ethanol	The definition of small ethanol producer is expanded to the capacity of 60M gallons per year from 30M gallons per year. (The credit is 10 cents per gallon)
<i><b>Title XIII. Tax Incentives.</b> <b>Sec. 1348. Sunset of Deduction for Clean-Fuel Vehicles and Certain Refueling Property</b></i>	Clean Fuel Vehicles and Certain Refueling Property	The deduction sunsets one year earlier on December 31, 2005 rather than December 31, 2006.

\*There are other biomass provisions in EAct 2005 that apply only to regions and/or states beyond the Northeast and are not included in these charts.