The Evolution of the 25x’25 Vision

With our energy challenges – and opportunities – as a backdrop, a group of highly respected agriculture leaders came together in 2004 at the invitation of the Energy Future Coalition and formed the Ag Energy Work Group to explore agriculture and forestry’s role in helping the nation meet its energy needs. This group focused on the economic development, national security and environmental benefits of renewable energy produced by America’s farmers, ranchers and forest landowners. During the summer and fall of 2004, the group explored three key questions:

1) What role can the farm and forest sectors play in producing energy?

2) How big a contribution can U.S. agriculture and forestry make?

3) What will it take for this vision to come to life?

In searching for the answers to these questions, the group talked with hundreds of producers and interviewed dozens of national agricultural organizations. The responses that they received led the Ag Energy Work Group to conclude that there was not only an emerging opportunity to participate in renewable energy production, but an historic opportunity to enhance our national security and redefine the core functions of agriculture. Out of this process the Ag Energy Work Group developed the concept of "25x’25," first outlined in 25x’25: Agriculture’s Role in Assuring U.S. Energy Independence, A Blueprint for Action. This plan set out the original vision that America’s working lands could produce 25 percent of the country’s energy from renewable resources by 2025.

In 2005 the group recruited organizations representing mainstream production agriculture and further expanded to include other working lands, especially forests and ranches. The 25x’25 Alliance was launched nationally in March 2006, and was joined by conservation, environmental, trade, business and labor groups.

In June 2006 bipartisan leaders in the Senate and House, led by Senators Ken Salazar (D-CO) and Chuck Grassley (R-IA) and Representatives Collin Peterson (D-MN) and Bob Goodlatte (R-VA), introduced concurrent resolutions that would establish 25x’25 as a national goal.

Bipartisan leaders in the Senate and House have re-introduced concurrent resolutions in the 110th Congress that would establish 25x’25 as a national goal. The House Resolution (H. Con. Res. 25) was introduced with 25 original co-sponsors and the Senate version (S. Con. Res. 3) was introduced with 22 co-sponsors. As of the publishing of this report, more than 400 organizations, 23 current and former governors and more than 100 members of Congress have endorsed 25x’25. A complete list of endorsing organizations and leaders can be found at www.25x25.org.

The 25x’25 Goal is Ambitious, Yet Attainable

Skeptics have long contended that renewable energy could never comprise more than a small percentage of the nation’s energy portfolio, and that it would be impractical to secure as much as 25 percent of our energy needs from renewable sources. In light of major technology advances, the 25x’25 Alliance commissioned a study with the Department of Agricultural Economics at the University of Tennessee’s Institute of Agricul-
ture to determine the ability of America’s agriculture and forestry sectors to provide 25 percent of U.S. total energy needs in 2025.8

The results of this study were profound. First and foremost, the study determined that the 25x’25 goal was feasible and that it could be met without compromising our ability to reliably produce food, feed and fiber at reasonable prices.

The study also found that reaching the goal would have extremely favorable impacts on rural America and the nation as a whole. Rural communities will benefit in the form of investments and value-added jobs to support distributed energy production platforms. Production of renewable energy will stimulate local ownership and investments and create jobs that will generate much-needed tax revenue to finance schools, roads and basic health, safety and support services provided by state and local government.

The projected annual impacts on the nation from a 25x’25 energy future would be in excess of $700 billion in economic activity and 5.1 million jobs by 2025, with most of that occurring in rural areas. Net farm income would increase by a cumulative total of $181 billion compared with USDA baseline projections, including $37 billion in 2025 alone, as the market rewards growers for producing alternative energy and enhancing our national security. National average per-bushel crop prices are projected to be $0.71 higher than the projected baseline for corn in 2025, $0.48

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higher for wheat, and $2.04 higher for soybeans. With higher market prices, an estimated cumulative savings in government payments of $15 billion could occur, not including potential savings in fixed/direct or Conservation Reserve Program payments.

The University of Tennessee team forecasts that the acreage for biomass feedstocks like switchgrass and short-rotation trees will increase dramatically – and other crop acreage will decrease – as cellulosic ethanol becomes commercially viable after 2012. During this transition, more distillers’ grains and soybean meal will partially compensate for increased corn prices, and the breakout of cellulosic biofuels may yield additional sources of feed alternatives for animal agriculture.

All in all, contributions from America’s farms, ranches and forests could result in the production of 86 billion gallons of ethanol and have the potential to decrease gasoline consumption by 59 billion gallons in 2025. America’s agriculture and forest lands also could produce substantially more energy for electric power from biomass and wind sources.

The 25x’25 goal has wide public support. A 2006 survey of 1,000 registered voters undertaken by Public Opinion Strategies showed nearly unanimous support for a national goal of having 25 percent of our domestic energy needs met by renewable resources by the year 2025. Ninety-eight percent of those polled see this goal as important for the country, with three out of four voters believing it to be “very important.” Similar majorities support government action to encourage greater use of renewable energy, while nearly all of those polled (98 percent) say the costs of research and development, along with the building of new renewable energy production facilities, is worthwhile to move the country toward the 25x’25 goal.

Our farms, ranches and forests hold the keys to reducing our dependence on oil, protecting the environment and public health, and providing a bright economic future for America. Acting with vision and determination, as this country has so many times in the past, will leave 25x’25 as a worthy legacy for future generations.