Overarching Messages:

1. America needs a new energy future; one that is cleaner, improves national security and strengthens the economy and contributes positively to the quality of life of all. Renewable forms of energy address all of these objectives.

2. The primary cause of food price increases across the globe is skyrocketing energy prices.

3. America’s farms, ranches, and forests have the capacity to meet the nation’s food, feed, fiber and fuel needs.

4. Biofuels produced the right way with the right feedstocks are viable alternatives to petroleum based transportation fuels. Going forward, biofuel growth will be supported largely with non-food energy feedstocks.

The 25x’25 renewable energy vision is about food, feed, fiber and fuel. A recent University of Tennessee study confirmed that the 25x’25 goal can be met without compromising the ability of the agricultural sector to reliably produce food, feed and fiber at reasonable prices.

Food Availability and Cost Factors

While biofuel production is a contributing factor to recent increases in food prices, higher transportation fuel costs, along with erratic weather, increased demand and low food stocks, are the more significant contributors to the high cost of food around the globe.

According to the Executive Director of the UN World Food Program, the price of oil has a direct impact on the amount of hunger in the world. Skyrocketing oil prices drive up the entire value chain of food production—from fertilizer, to diesel for tilling, planting and harvesting, to storage and shipping.

A new study from Texas A&M shows that skyrocketing prices for fuel and fertilizer, combined with drought, population growth, the weakening dollar, political instability and futures speculation are the primary causes of recent food price increases around the world.

Recent USDA studies have shown that for every dollar consumers spend on food, only 20 cents is attributable to the actual cost of the food product itself. The remaining 80 percent is tied to increases in labor, energy, transportation, advertising, packaging and other costs.

Biofuels Production

A study by the Department of Energy's Oak Ridge Laboratory found that the U.S. could displace more than one-third of its current oil consumption with biofuels while continuing to meet demands for food, feed and export.
The U.S. could produce 40 billion gallons of ethanol a year—equivalent to 20 percent of current gasoline demand—from agricultural residues alone. And crops such as switchgrass can be planted on marginal land, reducing the need to use productive cropland or forests for energy crop production (Oak Ridge National Lab).

The production of ethanol yields a by-product called distillers grain that is a high-protein cattle feed and can replace corn for half of the animal's diet. Advancing technology is expected to make it a more useful feed substitute for pork and poultry.

Looking to the future, non-food crops and materials now considered waste will become the primary feedstocks for biofuel production. Ongoing and growing research will optimize cellulosic feedstocks, including energy crops such as switchgrass, hybrid poplars and other prairie grasses, and residues such as corn stalks, wheat straw, forest trimmings, sawdust, wood chips, yard waste, municipal solid waste and even animal wastes.

**Crop Production and Export**

The overwhelming majority of U.S. corn production, including exported corn, feeds livestock—not humans. The 2007 U.S. corn harvest was large enough to meet ethanol demand, while also allowing for historic rates of exports.

While the current food crisis is global in scope and requires immediate action, it is inaccurate and misleading to assign primary responsibility to biofuel production. At the same time that U.S. ethanol was dramatically expanding, U.S. food and feed grain exports actually were increasing.

U.S. Crop projections (2008 planted acres compared to 2007):
- corn down 7 percent
- wheat up 8 percent
- soybeans up 10 percent
- rice up 2 percent

The market is driving farmer’s decisions as to which crops to plant.

**Technological Advancements**

With continued advancements in technology and significant shifts in cropping patterns, U.S. farmers, ranchers and foresters can meet the 25x’25 energy goal while still providing abundant supplies of food, feed and fiber.

The Biotechnology Industry Organization reports that with the help of biotechnology, corn crop yields have increased over 30 percent since the technology was introduced in 1996, and yield increases are expected to continue into the future. Soybean yields have increased over 20 percent in the same time period.