



October 21, 2008

Mr. Matthew Ponish  
National Environmental Compliance  
USDA, FSA, CEPD  
Stop 0513  
1400 Independence Avenue SW  
Washington, DC 20250-0513

Dear Mr. Ponish:

The undersigned wish to respond to the October request for comments on the alternative and environmental concerns regarding the Biomass Crop Assistance Program. Our views are as follows.

- This is an excellent program to support a mature project where the biorefinery investors are committed to the project and growers in the community have experience in growing dedicated perennial biomass crops.
- Given the risks involved, it would be most helpful if the financial support of 75% would include opportunity costs to growers over the two or three year perennial biomass crop establishment period.
- However, this program does little to encourage growers that are new to the industry to bring them to the stage where they are comfortable in entering into a long term contract with a biorefinery for substantial commercial quantities of biomass. Unlike conventional row crops where switching from one annual variety to another is a common practice, perennial biomass crops such as switchgrass and miscanthus are unknown to the majority of farmers. It is therefore unlikely that most will be willing to make a multi-year commitment to commercial scale acreages for a completely new crop which has unique challenges to get established.
- In parallel, biorefiners will be reluctant to enter into long term contracts with farmers that have no demonstrated experience in dedicated biomass production.
- The 16 billion gallon RFS for cellulosic ethanol will require 200 million tons of biomass assuming 80 gallons of product per ton. For illustrative purposes this will require 200 thousand growers each supplying 1000 tons on average. This is an incredible opportunity and challenge for US agriculture and may involve more growers than are currently engaged in wheat production (166 thousand).
- To recap, while BCAP has the potential to contribute significantly to the success of this industry it unfortunately does little to bring growers and biorefinery investors to

the stage where they will both have the confidence to enter into substantial long term contracts to supply biomass.

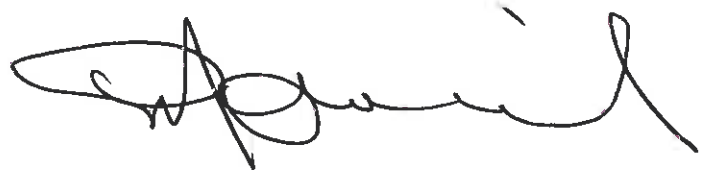
### Suggested Alternative

- One concept is to encourage small scale (say five acre) plots for growers to become familiar with one or more perennial biomass crops.
- As an incentive, all costs, real and opportunity would be covered for perhaps five years.
- The product of the exercise would be grower knowledge but the biomass could serve as wildlife habitat, bedding, low quality feed or mulch for road-side plantings.
- No formal biorefinery involvement would be required but applications where several farmers in a community wished to enroll in the program as a group would be encouraged.

Yours sincerely,



Mark Gaede  
Director of Government Affairs,  
Environmental Policy  
National Association of Wheat Growers  
415 Second St. NE, Suite 300  
Washington, D.C. 20002  
[mgaede@wheatworld.org](mailto:mgaede@wheatworld.org)



Maurice Hladik  
Marketing Director  
Iogen Corporation  
310 Hunt Club Road East  
Ottawa, Ontario  
Canada K1V 1C1  
[Maurice.Hladik@iogen.ca](mailto:Maurice.Hladik@iogen.ca)