



# NEWS RELEASE

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## **Agriculture Secretary Vilsack Announces Payments to Producers in 41 States to Expand the Production and Availability of Advanced Biofuels**

WASHINGTON, September 27, 2011 - Agriculture Secretary Tom Vilsack today announced that USDA will make payments to more than 160 energy producers in 41 states to support and ensure the production and expansion of advanced biofuels.

"Renewable energy production will create tens of thousands of direct, American jobs; thousands more indirect jobs, and clean electricity to power millions of homes. The payments I am announcing today represent the continuing commitment of the Obama administration to work with producers to provide the biofuel necessary to reduce our nation's dependence on foreign energy sources," Vilsack said. "The payments support America's growing advanced biofuel industry."

The payments are authorized under the [Bioenergy Program for Advanced Biofuels](#) (Section 9005 of the 2008 Farm Bill) and are made to eligible producers to support and ensure an expanding production of advanced biofuels. Payments are based on the amount of biofuels a recipient produces from renewable biomass, other than corn kernel starch. Eligible examples include biofuels derived from cellulose, crop residue, animal, food and yard waste material, biogas (landfill and sewage waste treatment gas), vegetable oil and animal fat.

To see a list of the recipients announced today, please see the following listing:

<http://www.rurdev.usda.gov/SupportDocuments/USDAAdvancedBiofuelProducerPaymentsSept.pdf>

For example, Hamer Pellet Fuel, Wayne County, WV, has been selected to receive a \$120,129.59 contract payment to provide payments to producers to support and ensure an expanding production of Advanced Biofuel. This project will help Hamer Pellet Fuel remain competitive in the market.

Also, Ever Cat Fuels has been selected to receive a \$98,507 contract payment to help offset the costs of producing almost 881,000 gallons of biodiesel at its plant in Isanti, Minn. Ever Cat uses the Mcgyan process to produce biodiesel, which efficiently and economically converts feedstock plant oils and animal fats to biodiesel. Ever Cat produces three million gallons of biodiesel annually and is the first commercial plant designed to use the Mcgyan technology. The plant began operations two years ago, creating 20 full-time jobs.

In Corinth, ME, Corinth Wood Pellets was selected to receive a \$31,406 contract payment continue to produce and sell premium-grade wood pellets for the residential, industrial and commercial markets. The wood pellets are produced from sawdust and woodchip feedstock. A total of 18,224 metric tons of wood pellets were produced to generate 298,873,600,000 BTUs. This energy

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generation supports the Obama administration's ongoing efforts to reduce our reliance on fossil fuels by turning solid feedstock into alternative fuel that is used to heat residential, industrial and commercial buildings. USDA funding for this enterprise is expected to support 11 industry jobs.

On September 8, President Obama presented the [American Jobs Act](#) in an address to Congress. The purpose of the American Jobs Act is simple: put more people back to work and put more money in the pockets of working Americans. The American Jobs Act is specific. It will put people back to work right now, and it will not add to the deficit. Through a combination of direct spending, such as infrastructure investments, and tax relief, such as an extension of the payroll tax cuts, it will lead to new American jobs. Since taking office, President Obama's Administration has taken significant steps to improve the lives of rural Americans and has provided broad support for rural communities. The Obama Administration has set goals of modernizing infrastructure by providing broadband access to 10 million Americans, expanding educational opportunities for students in rural areas, and providing affordable health care. In the long term, these unparalleled rural investments will help ensure that America's rural communities are repopulating, self-sustaining and thriving economically.

USDA, through its Rural Development mission area, administers and manages housing, business and community infrastructure and facility programs through a national network of state and local offices. Rural Development has an existing portfolio of more than \$155 billion in loans and loan guarantees. These programs are designed to improve the economic stability of rural communities, businesses, residents, farmers and ranchers and improve the quality of life in rural America.

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