STATEMENT
Before the
SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES
TRANSPORTATION BIOFUELS CONFERENCE
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By
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MAYOR, WARRENTON VIRGINIA

Thank you Mr. Chairman for the opportunity to share my views on how to support the growth of renewable fuels.

I am the mayor of Warrenton, the seat of Fauquier County about 50 miles west of here. We are dedicated to becoming self sufficient in renewable energy.

Recently, we started to examine and develop plans for an integrated biorefinery that would use different types of waste available locally in Warrenton, Fauquier County and perhaps neighboring counties. These wastes are municipal solid wastes at our landfill, construction and demolition wastes also at our landfill, agriculture residue, mainly corn stover, from our farmers and forest residue from tree trimming contractors and pre commercial thinnings as well as brush and leaves from our residents.

We are also looking at using the 2,000 tons of sewer sludge from our treatment plant as well as about 3,000 tons of animal manures. We are currently spending $40,000 a year to have our sludge hauled away when we could be receiving $40,000 from a biorefinery.

For the long term, we are discussing with our farmers about using idle land and CRP land for dedicated energy crops such as switchgrass. Like the rest of Virginia, half of our farmland is idled. In Virginia there are more than 4 million acres of idled farmland.

We have identified enough wastes to support a 350 to 400 ton per day biomass facility which should produce about 10 million gallons of ethanol. It will also produce about 8 MW of electricity of which 3MW would be used for the plant and the rest would be put on the grid to electrify every single household in Warrenton. We would be self sufficient in renewable energy.

There are a lot of communities like Warrenton across the country. There are probably over 1000 communities – easily 500 - like Warrenton with biomass material available locally to support a biorefinery. That's 1,000 small biorefineries making 10 million gallons of ethanol, or renewable diesel - and all that made from waste, or energy crops grown on vacant farmland too marginal for food crops.

That's a major contribution, which I think has been overlooked, to the goal of 20 billion gallons of renewable fuel by the year 2020.

The focus seems to be on creating large scale biorefineries producing 50 to 100 million gallons a year by the ADM's and Cargill's of the world. Communities like mine are just as valuable. Perhaps more so because we can engage the people in our community to get behind our renewable energy initiative and be a stakeholder. The process technology has evolved so that small scale biorefineries using a variety of biomass can be viable.

What's interesting is that we can be a very efficient producer. What makes us efficient is what makes the major integrated oil companies efficient: owning or controlling the product all along the stream, downstream and upstream. As such, local governments are uniquely positioned to facilitate the development of renewable energy and become engaged with private companies in a public-private partnership.

I have had a chance to talk to farmers in my community, and throughout Virginia, as well colleagues in other counties. My colleagues are reluctant because they don't want to give up a sure thing, getting paid by Waste Management or Covanta for their waste; especially if it means venturing into the unknown and maybe losing money. Farmers are reluctant because they say they need more than $40 per ton – the break even feedstock cost which all the studies highlight - to gather up and deliver residues or plant switchgrass.

Given what I have learned with developing our project and in discussions with others, I believe Congress could stimulate small scale biorefineries in communities across the country by:

> **Providing an incentive production payment of $20 per ton for agriculture and forest residue used in a biorefinery.** A program, **Sec. 210,** already exists - though not fully funded - to provide a payment of $20 per ton for forest residues from tribal lands and at risk forest lands so it just needs to be extended to all types of land and include agriculture residues.

Thank you Mr. Chairman for the opportunity to express my suggestions.