



United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

JAN 21 2011

Mr. Charlie Niebling  
Co-Chairman  
Steering Committee  
Northeast Biomass Thermal Working Group  
c/o New England Wood Pellet  
Post Office Box 532  
Jaffrey, New Hampshire 03452

Dear Mr. Niebling:

Thank you for your letter of November 10, 2010, cosigned by Mr. Rob Riley, commenting on the Department of Agriculture (USDA) Biofuels Strategic Production Report. I apologize for the delay in my response.

USDA is already in full support of the innovation occurring in the Northeast and other regions to create a "green" energy economy. Our investments in thermal conversion and solid fuel technologies amounted to \$6.9 million in fiscal year 2010. Moreover, our investments leveraged an additional \$27.8 million in non-federal funding. Businesses in the Northeast were awarded \$40,000 in Rural Energy for America grants for thermal conversion and solid fuel projects in 2010.

I acknowledge your concern that an enhanced biofuels strategy would include ways to reduce reliance on #2 heating oil by substituting with locally produced biofuels, including solid biofuels made from biomass. You have also expressed a desire to broaden the USDA Biofuels Strategy to recognize that "biofuels" include much more than liquid transportation fuels. In particular, you wish to include the sustainable use of the Northeast's productive forests for thermal energy as contributing to the Renewable Fuels Standard (RFS2).

As you may know, the Environmental Protection Agency (EPA) is responsible for developing and implementing the regulations to ensure that transportation fuel sold in the United States contains a minimum volume of renewable fuel. The RFS2 program regulations were developed in collaboration with refiners, renewable fuel producers, and many other stakeholders. USDA is committed to support RFS2 with its advanced biofuels and renewable energy portfolio. The USDA Biofuels Strategic Production Report is a proposed departmental response to RFS2 mandates. All comments or petitions regarding eligible RFS2 biofuels and biofuel feed stocks should be addressed to EPA.

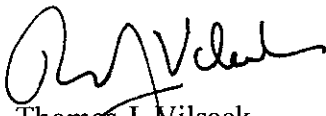
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That said, I am encouraged by your broad support of RFS2 and its desired outcomes of increased energy independence, reduced carbon emissions, "green" jobs, and economic opportunities for American workers. Please be assured that those outcomes will not come as a consequence of any foregone regional renewable opportunities. As applicable, our advanced biofuels and renewable energy programs take into account whether proposed projects will have impacts on existing manufacturing plants or other facilities that use similar feed stocks. I would very much appreciate your contacting my Senior Advisor, Sarah Bittleman, to continue these discussions. She can be reached at (202) 720-3631.

Thank you again for your letter and for your interest in USDA's renewable energy programs. I look forward to working with you as we make progress toward a final document in full support of RFS2 and its desired outcomes.

A similar letter is being sent to Mr. Rob Riley.

Sincerely,



Thomas J. Vilsack  
Secretary