



**Testimony of the
Biotechnology Industry Organization (BIO)**

Hearing of the House Energy & Utilities Subcommittee
February 19, 2013

Regarding Florida House Bill 4001:

**“AN ACT RELATING TO THE FLORIDA RENEWABLE FUEL STANDARD ACT;
REPEALING THE FLORIDA RENEWABLE FUEL STANDARD ACT”**

The Honorable Clay Ford, Committee Chair
The Honorable Jose Felix Diaz, Committee Vice-Chair
And the Members of the House Energy & Utilities Subcommittee:

Chair Ford and Members of the Subcommittee, the Biotechnology Industry Organization (“BIO”) appreciates this opportunity to provide comments on HB 4001, legislation to remove the requirement that all gasoline offered for sale in the state include a percentage of ethanol. This proposal is of significant concern to BIO and its members in the State of Florida and throughout the country.

BIO is the world’s largest biotechnology organization with more than 1,100 member companies worldwide. BIO represents leading technology companies in the production of conventional and advanced biofuels and other sustainable solutions to energy and climate change challenges. BIO also represents the leaders in developing new crop technologies for food, feed, fiber, and fuel.

BIO opposes HB 4001 at its core because of the impact such legislation would have on energy security, on research and development of cellulosic and advanced biofuels underway in Florida, on the commercialization of such technologies in Florida and throughout the country, and on the price of gasoline for Florida consumers.

The national adoption of conventional and advanced biofuels has played an important role in reducing U.S. dependence on foreign sources of petroleum, in reducing transportation fuel costs to the consumer, and in beginning to reduce the carbon intensity of the nation’s transportation fuels. It has also paved the way for promising next generation cellulosic and advanced biofuels being developed in the State of Florida and throughout the country.

Cellulosic and advanced biofuels, which can be produced from waste materials such as municipal solid waste, promising new purpose-grown energy crops such as algae and energy cane, or other renewable sources of biomass, offer some of the most promising solutions to



high gas prices, U.S. dependence on foreign petroleum, and job losses in resource-dependent regions of the country, such as Florida. Innovative advanced biofuels developers, including INEOS Bio and Algenol, already face a very challenging environment trying to secure private capital to commercialize their technologies. INEOS Bio, a bio-energy company producing advanced biofuels and renewable power, launched the first commercial cellulosic biorefinery in Vero Beach, Florida this year, and Algenol, an advanced industrial biotechnology company producing ethanol from algae, is headquartered in Bonita Springs and has located a 36 acre outdoor demonstration facility in Fort Meyers. Actions by the State of Florida to repeal the state's renewable fuel standard only exacerbate the financing challenge to local companies by destabilizing the policy environment for all biofuels.

Passing HB 4001 would send the industry and its investors the wrong message and would chill investment in research and development for advanced and cellulosic biofuels – as well as other promising biobased technologies, such as renewable chemicals and plastics produced from algae – and possibly send the unintended signal to investors that Florida is hostile to all biofuels.

The Federal renewable fuel standard has helped drive investment in over 30 pilot and demonstration projects, and several commercial facilities that are now under construction.¹ In the past decade, companies have taken cellulosic biofuels from concept to bench to demonstration scale to investments in and construction of commercial projects. The technology and commercial development is reaching maturity, bringing billions of dollars in public and private investments to fruition. Florida's state RFS has helped to make Florida a national leader in advanced biofuel development.

A recent report, *U.S. Economic Impact of Advanced Biofuels Production: Perspectives to 2030*, the executive summary of which we append to this testimony, indicates that cellulosic and advanced biofuels production under the Federal RFS could create over half a million jobs in the U.S., many of which would be tied to sustainable sources of renewable biomass like cellulosic crops and algae.¹

BIO urges the Florida State House, and its House Energy & Utilities Subcommittee, to oppose HB 4001. The proposed repeal of the RFS in the State would hurt consumers at the pump and would undermine investment in the continued research, development and production of advanced and cellulosic biofuels.

BIO looks forward to working with the Committee to further Florida's leadership in advanced biofuels development. For your review, we have attached BIO's *State Policy*

¹ See E2 Environmental Entrepreneurs, "Advanced Biofuel Market Report 2012: Meeting U.S. Fuel Standards," Sept. 2012, available at: <http://www.e2.org/ext/doc/E2AdvancedBiofuelMarketReport2012.pdf>



Template, a document which includes a suite of recommendations that can serve as suggestions on how to utilize state level policy and resources to achieve job creation and economic growth in your state, and to ensure that the high performance materials and fuels of the future are developed in the United States.

ⁱ <http://bio.org/ind/advbio/EconomicImpactAdvancedBiofuels.pdf>