



Perspectives on the 2013 Farm Bill

Energy Title:

Consistent policies will fuel a successful energy portfolio

By James Fischer

Agriculture possesses all the fundamentals for the development of a smart and balanced future energy economy. Agriculture has the infrastructure, the capital and the expertise to develop and support a diverse energy portfolio. An energy portfolio that will create jobs, generates investments, reduce environmental concerns and stabilize the cost of energy.

Renewable energy, energy efficiency and traditional energy sources all have a role in providing the fundamentals of this energy portfolio that will stabilize energy costs to the citizens of the United States. These three components can work together to keep energy affordable, reliable, clean and abundant.

Toward the goal of a balanced energy future for the United States, Congress has included an energy title in the last two Farm Bills. These Farm Bill energy titles created incentives for research and education, as well as investment opportunities for farmers and agribusinesses to develop renewable energy sources (like biomass, solar, wind and geothermal) and energy efficient technologies. Through the policies set in the 2002 and 2008 Farm Bills, the business opportunities of agricultural enterprises were expanded to include energy production. The agricultural community responded to the incentives--producing approximately 15 billion gallons of liquid fuel, generating over 60,000 MW of electricity in 2012 from wind turbines which the majority reside on farms, enhancing the environment by installing hundreds of anaerobic digesters that convert animal manure into electricity and thermal energy, installation of thousands of on-farm solar energy systems, and improving the efficiency of production through installation of advanced energy efficient equipment and facilities in poultry, dairy and swine production facilities. The numbers reflect the vision of farmers and ranchers to enhance and secure an energy future for these United States using the tools provided in the Energy Titles of the last two Farm Bills.

Development of the fossil and nuclear energy industries in these United States has benefited from broad-based federal and state government incentives. Federal programs that supported the development of the oil and gas industries began in 1918, for the nuclear industry in 1947 and biofuels in 1980. The continued growth of agriculture's role in our energy future needs incentives, as well. This is good business sense. Thousands of citizens now work in the developing and expanding agricultural renewable energy industry. Tripling use of biomass for energy in the United States could provide as much as \$20 billion in new income for farmers and rural communities, and reduce global warming emissions by the same amount as taking 70 million cars off the road. It is estimated that agricultural energy industries will promote job growth and

generate billions of dollars in economic activity across regions of the country and lower carbon emission and create other environmental enhancements over the next 20 years—assuming Congress continues its progress toward a new, diversified energy future.

There is no silver bullet for clean, reliable, abundant and affordable energy. Rather silver buckshot of multiple energy sources will need to operate in concert. Congress must establish a policy platform from which agriculture can continue its success in energy production and efficiency. Long-term, consistent policies are the best signals for the market, providing the confidence needed by both producers and investors. Long-term, consistent policy is not only the foundation of investment security but also is our future where energy is secure, clean, reliable and affordable.

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PERSPECTIVES ON THE 2013 FARM BILL is a series of essays by thought leaders in agriculture, the food system and rural communities. The intent is to enrich discussion by presenting ideas and perspectives of on how to shape the 2013 farm bill legislation. This project is a collaboration of [Farm Foundation, NFP](#) and the [National Center for Food and Agricultural Policy \(NCFAP\)](#). The opinions expressed in these essays are solely the opinions of the authors, and not those of Farm Foundation or NCFAP. To read more essays, go to: <http://www.farmfoundation.org/webcontent/Perspectives-on-the-2013-Farm-Bill-1863.aspx>