



Growing a future of
CLEAN RENEWABLE ENERGY

MEDIA RELEASE

Contact:

Jennifer Burke (Genera Energy)

+1865-974-8210 (Work)

+1 865-414-6835 (Cell)

jburke@generaenergy.net

USDA's Renewable Energy Initiatives favorable for East Tennessee switchgrass production; *Genera Energy sees recent Biomass Crop Assistance Program ruling as good news for state's bioenergy future*

Knoxville, Tenn. – A recent announcement by the US Department of Agriculture (USDA) reinforces the fact that nearly 6,000 acres of switchgrass in East Tennessee will be a major contributor to the country's domestic renewable energy production. The federal support indicates that the biomass industry is on track and energy crops, such as switchgrass, have huge potential.

Agriculture Secretary Tom Vilsack announced in late October that the USDA is implementing several measures supporting a clean, sustainable, domestic biofuels industry, including the publication of a final rule to implement the Biomass Crop Assistance Program (BCAP). Under the BCAP final rule, USDA will resume making payments to eligible biomass producers (such as those currently under contract with Genera Energy and the University of Tennessee.) These payments may help offset crop establishment, crop maintenance, and/or biomass collection, storage, and transport costs. Authorized in the Food Conservation and Energy Act of 2008, BCAP is designed to ensure that a sufficiently large base of new, non-food biomass crops is established in anticipation of future demand for renewable energy.

"This ruling comes at the perfect time for biomass producers," said Genera Energy President and CEO Dr. Kelly Tiller. "It means there is potential to bring additional acres of switchgrass into energy crop production to support commercial scale projects. BCAP can help farmers manage their risk and commit their land, resources, and efforts to a new energy crop farming enterprise that will in turn help the nation reach its national renewable energy objectives in a sustainable manner."

For the past three years, farmers in East Tennessee have been growing and harvesting switchgrass for biomass production. More than 60 farmers located within 50 miles of Genera's demonstration-scale cellulosic ethanol biorefinery are participating in the Switchgrass Farmer Incentive Program (part of the University of Tennessee's Biofuels Initiative). Genera's partner farms will begin harvesting their 2010 switchgrass crops in November of this year. This is the third year for harvesting since the program's inception. Crops planted in 2008 are now yielding 8 tons of biomass per acre at harvest, and that number is expected to continue to increase this year.

“Tennessee remains well positioned to be a national leader in bio-based energy research and development of commercial-scale projects,” said Dr. Tiller. “This ruling will give us additional resources to develop biomass for the growing bioeconomy.”

Genera Energy, in partnership with the State of Tennessee, the University of Tennessee, and DuPont Danisco Cellulosic Ethanol, opened a biorefinery in Vonore, Tennessee in early 2010. The pilot-scale facility is capable of producing up to 250,000 gallons of cellulosic ethanol per year from feedstocks such as switchgrass. In July 2010, Genera broke ground on a 21-acre Biomass Innovation Park adjacent to the biorefinery. The Biomass Innovation Park is a state-of-the art campus for the pre-processing, storage, and densification of switchgrass. Slated to be operational in late Spring 2011, the Biomass Innovation Park will process, store, and handle Genera’s switchgrass production.

“The BCAP ruling will help us complete our farm to fuel model for bioenergy production in Tennessee, “ added Dr. Tiller. “This is good for the nation and good for our state’s economic development.”

Genera Energy is a for-profit limited liability company wholly owned by the University of Tennessee Research Foundation. Genera provides a vehicle to leverage state and federal funding with private research and development investments, strategic partnerships and collaborations to further the research, economic development, and clean energy objectives. Genera focuses on developing integrated biomass supply chain solutions and strategic partnerships to support the bioenergy industry. Genera’s portfolio of public-private clean energy projects includes biomass, biofuels and energy crops.

<http://www.generaenergy.net>

The University of Tennessee Biofuels Initiative (UTBI) is Tennessee’s answer to the global challenge of securing sustainable, renewable, affordable energy while advancing the local economy and protecting the environment. A farm-to-fuel business plan developed by UT Institute of Agriculture researchers, the Initiative is simultaneously addressing the issues of feedstock production, transportation logistics, processing and co-products. The ultimate goal is to establish a new, commercial biofuels industry across the state. A far-sighted and unparalleled \$70.5 million commitment from the State of Tennessee has allowed UTBI, through Genera Energy LLC, to advance the new industry model. The unique partnership of state government, the University and private industry has propelled Tennessee to be a leader in all aspects of cellulosic ethanol production.

<http://www.utbioenergy.org/TNBiofuelsInitiatve>

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