



November 12th, 2009

**FACILITY PROCESSING BLACK HILLS WOOD CHIPS SELECTED FOR THUNE-AUTHORED BIOFUEL PROGRAM**  
**2008 Farm Bill Program Facilitating Renewable Energy Production Using a South Dakota Resource**

Senator John Thune today announced that the U.S. Department of Agriculture has selected Western Biomass Energy, LLC to participate in the Biomass Crop Assistance Program (BCAP). Western Biomass Energy converts wood chips from the Black Hills into renewable fuels. Senator Thune authored BCAP, which was included in the 2008 Farm Bill.

"Renewable fuel production has the capability to make forestry byproducts from the Black Hills a valuable resource," said Thune. "Biofuels and other forms of renewable energy will play an important role in reducing our overdependence on imported energy sources. The implementation of BCAP is a major step toward incorporating more of our nation's resources into our energy strategy."

Western Biomass Energy, LLC will use BCAP funding to offset the feedstock cost associated with their pilot biorefinery in Upton, Wyoming that refines cellulosic ethanol from South Dakota wood chips. Beginning in early 2010, BCAP will also provide per acre payments for the production of energy dedicated crops. Currently, BCAP offers a matching per-ton payment for the collection, harvest, storage and transportation of renewable biomass delivered and sold to a local biomass conversion facility. The per-ton payments are available for eligible biomass owners who sell their biomass to approved ethanol plants and other biomass conversion facilities.

This past summer, Senator Thune toured the biofuels research facilities at the South Dakota School of Mines and Technology (SDSM&T) where researchers are studying the use of lignocellulosic feedstocks for renewable fuel production. Lignocellulosic biomass is any non-seed portion of a plant that can be used for bioenergy or biochemical production. The research being done at SDSM&T will provide innovative ways to utilize the feedstocks which are readily available in South Dakota and throughout the nation.

Suitable biomass for second-generation biofuel production includes prairie grasses, corn cobs, and wood chips and other forestry byproducts. South Dakota farmers and forestry operations are well-positioned to capitalize on our states resources for renewable energy production.

Senator Thune is the ranking member of the Agriculture Energy Subcommittee and has been a leading advocate for increased biofuel production and use.

###