Talking Points: Responding to the *Time* Cover Story,
"The Clean Energy Scam," by Michael Grunwald.

25x'25 rejects the premise set forth in "A Clean Energy Scam," a story featured on the cover of Time magazine (dated April 7, 2008) and written by Michael Grunwald that perpetuates negative misconceptions about the role of biofuel production in greenhouse gas emissions. The story also fails to take into account other credible points of view.

Time: *"This land rush [on the Amazon rainforest] is being accelerated by an unlikely source: biofuels. An explosion in demand for farm-grown fuels has raised global crop prices to record highs, which is spurring a dramatic expansion of Brazilian agriculture, which is invading the Amazon at an increasingly alarming rate."*

Fact: The implication that biofuel production is responsible for the destruction of the Amazon rainforest ignores the reality that ever increasing worldwide demand for food and fiber is the primary cause of land-use change.

Time: *"'Renewable fuels' has become one of those motherhood-and-apple-pie catchphrases, as unobjectionable as the troops or the middle class."*

Fact: Renewable Fuels have been the subject of vigorous public and private policy debates for many years, and to suggest otherwise is only a false device used by the author to suggest his story is original.

Time: *"Corn ethanol, always environmentally suspect, turns out to be environmentally disastrous. Even cellulosic ethanol made from switchgrass, which has been promoted by eco-activists and eco-investors as well as by President Bush as the fuel of the future, looks less green than oil-derived gasoline."*

Fact: Mr. Grunwald acknowledges but cites as "flawed" Department of Energy studies that show burning corn ethanol as fuel results in a 19-percent reduction in harmful emissions when compared with gasoline, and that cellulosic ethanol, such as that made from switchgrass, has the potential to cut greenhouse gas emissions by up to 86 percent. However, Mr. Grunwald fails to acknowledge that corn ethanol is fully biodegradable, unlike some fuel additives, such as MTBE. And he fails to take into account other studies, including a recent, five-year University of Nebraska project that shows switchgrass grown for biofuel production produced 540 percent more energy than that needed to grow, harvest and process it into cellulosic ethanol. The study also shows switchgrass also offers significant environmental benefits, including many conservation uses - the deep fibrous roots of the plant help to keep soil intact and virtually stop runoff, while putting organic material back into the ground, improving soil, and requiring no pesticides or fertilizers. Meanwhile, oil companies are extracting oil from the Alberta tar sands of Canada, which environmentalists say produces four times the amount of emissions produced from conventionally extracting oil.

Time: *"The studies all credited fuel crops for sequestering carbon, but no one checked whether the crops would ultimately replace vegetation and soils that sucked up even more carbon. It was as if the science world assumed biofuels would be grown in parking lots."*

Fact: Conservation tillage and other agriculture and forestry residue management techniques used to produce biofuel feedstocks can provide a constant buildup of soil organic carbon. Ohio State University researchers have concluded that the total potential of carbon sequestration in U.S. soils, counting croplands, grazing lands and woodlands, is nearly 600 million metric tons of carbon, or the equivalent of more than 2,200 million metric tons of carbon dioxide emissions - about 33 percent of total U.S. emissions.

Time: *"Biofuels are jacking up world food prices and endangering the hungry."*

Fact: While the increasing demand for corn and soybeans for fuel are a factor in higher food costs, the head of the UN Food Program recently noted that higher energy costs, erratic weather, increased demand and low stocks are big factors contributing to the high cost of food around the globe.

Time: *"Skyrocketing flour prices have destabilized Pakistan."*

The article ignores religious strife, political turmoil, the assassination of a powerful political party leader and poor government wheat export decisions as contributors to the tensions in Pakistan.

Time: *"U.S. farmers are selling one-fifth of their corn to ethanol production, so U.S. soybean producers are switching to corn."*

Fact: USDA recently announced its projects of planting intentions for the upcoming crop year, and corn acreage in the United States is expected to go down 8 percent from 2007 levels, while soybean acreage is expected to increase by 18 percent.

Time: *"Soaring corn prices have sparked tortilla riots in Mexico."*

Fact: Tortillas are made from white corn, not the yellow corn varieties of animal feed grain used to produce ethanol. Furthermore, Mexican government deregulation resulted in a two-company domination of the tortilla market, resulting in higher prices.

Time: *"A U.N. food expert recently called agrofuels a 'crime against humanity.'"*

Fact: The UN Food and Agriculture Organization immediately rejected the criticism of biofuel production leveled by Jean Ziegler, a UN food expert who also called for a moratorium on all biofuel production. The UN FAO issued the following statement the day after Ziegler's remarks: "We regret the report of the Special Rapporteur has taken a very complex issue, with many positive dimensions as well as negative ones, and characterized it as a 'crime against humanity'. FAO strongly feels that food security and

environmental considerations must be fully addressed before making investments or policy decisions, and we are actively working to ensure this happens. However, a moratorium that ignores the potential of biofuels to support rural development and assist the economies of developing countries would not, in our view, be a constructive approach to this topic."

Time: *"Using land to grow fuel leads to the destruction of forests, wetlands and grasslands that store enormous amounts of carbon."*

Fact: The implication that biofuel production is responsible for the destruction of the Amazon rain forest and other sensitive lands ignores the reality that ever increasing worldwide demand for food and fiber is the primary cause of land use change in this and other regions. Simply eliminating biofuels will not stop land use changes from occurring, and in countries like Haiti that have already lost their forests, biofuels could help reestablish forests and offer more affordable and sustainable energy options. Similarly, information in the story about a recent study, which claims land-use changes brought about by increased biofuel production are producing more greenhouse gas emissions (Searchinger et al.), only tells half the story. What is missing is that Searchinger's methodologies have been widely questioned by respected biofuel life-cycle analysis researchers such as Michael Wang, with the Center for Transportation Research at the Argonne National Laboratory, who counter that Searchinger et al. used outdated, if not incorrect, data to reach their conclusions.

25x'25 embraces sustainability as a key principle in reaching a new, renewable energy future. We have adopted the 25x'25 Sustainability Principles (available online at www.25x25.org), which underscore the concept of sustainability as the ideal of stewardship.

The principles cover air quality, biodiversity, biotechnology, efficiency and conservation. The new guiding environmental principles also address greenhouse gas emissions, invasive species, private and public lands, soil erosion and quality, water quality and quantity, and wildlife. The principles also set economic and social guidelines for access to infrastructure, incentives and market development, access and distribution.