



Midwestern Governors Association

September 24, 2008

The Honorable Ed Schafer
Secretary
U.S. Department of Agriculture
1400 Independence Avenue, SW
Washington, DC 20250

Dear Secretary Schafer:

On behalf of the Midwest Governors Association, we wish to provide you with comments on the energy title, Title IX, of the Food, Conservation and Energy Act of 2008. The 2008 provisions in the farm bill's energy title provide great resources for rural and agricultural communities by expanding the development of energy efficiency and renewable energy. We welcome the willingness of the U.S. Department of Agriculture (USDA) to accept comments from the public as it begins implementation of the farm bill, particularly the energy title.

As governors of Midwestern states, we have a long history of supporting the development of renewable and alternative sources of energy. Our states have seen firsthand that the utilization and expansion of renewable energy stimulates the economy of rural communities by increasing household incomes, providing quality jobs to communities, by reviving main street rural America, enhancing value-added agriculture for our country's farmers, reviving the "rust belt" with green jobs, and by increasing state and federal treasuries through these advancements.

The MGA continues to support aggressive and proactive approaches and policies to greatly diminish our reliance on energy from overseas. Domestically produced energy is the only way we can provide for our greater economic and energy security. The support and availability of resources that the farm bill provides for next generation biofuels is encouraging. Through the implementation by USDA, it is important that all sources of domestic energy be considered for research and investment, as a myriad of possibilities exist throughout various regions of our country. While funding should be available for widespread, commercially-viable sources, USDA also needs to recognize that new techniques and sources are emerging and should also be financed and explored. Additionally, all sources of energy need to be considered.

In November 2007, MGA hosted a summit of its governors and stakeholders to address energy issues facing our region. One of the results of the summit was a resolution that supports a regional

444 North Capitol Street, NW
Suite 401
Washington, DC 20001-1512
Tel: 202.624.5460
Fax: 202.624.5452

Regional Office
701 East 22nd Street
Suite 110
Lombard, Illinois 60148
Tel: 630.925.1922
Fax: 630.925.1930
www.midwesterngovernors.org

Chair
M. Michael Rounds
South Dakota

Vice Chair
Jennifer Granholm
Michigan

Past Chair, 2005
Rod Blagojevich
Illinois

Matt Blunt
Missouri

Chester J. Culver
Iowa

Mitch Daniels
Indiana

Past Chair 2007
Jim Doyle
Wisconsin

Dave Heineman
Nebraska

Past Chair, 2004
John Hoeven
North Dakota

Past Chair, 2006
Tim Pawlenty
Minnesota

Kathleen Sebelius
Kansas

Ted Strickland
Ohio

biobased products procurement system. Similarly, the energy title of the new farm bill supports a federal bioproducts procurement program, and it is important for USDA to continue working with states to implement this system.

With the expansion of grants, loans, and loan guarantees in the energy title, it is important for USDA to streamline the application processes for these financial assistance measures. Additionally, samples of completed project applications should be readily available at state rural development offices and online applications should be encouraged.

We hope these comments will be useful as USDA implements the energy title of the farm bill. We look forward to working with USDA in furthering our nation's energy security and domestic energy resources.

Sincerely,



M. Michael Rounds
Governor of South Dakota and Chair,
Midwestern Governors Association



Jennifer Granholm
Governor of Michigan and Vice Chair,
Midwestern Governors Association

cc: Secretary Samuel Bodman, U.S. Department of Energy
Under Secretary for Rural Development Thomas Dorr, U.S. Department of Agriculture