EXTENSION/ OUTREACH EFFORTS IN THE BIOFUELS INDUSTRY: THE ROLE OF EXTENSION ECONOMISTS

SOLUTIONS
July 27, 2008
Clark D. Garland

THE UNIVERSITY OF TENNESSEE
INSTITUTE OF AGRICULTURE

SWITCHGRASS AS AN ENERGY CROP
TENNESSEE BIOFUELS INITIATIVE
SUMMARY:

- $70+ million state investment in biofuels
  - $8M for switchgrass feedstock production
  - $40M for 2 – 4 million gallons/year research facility
- Research the technology and improve the economics

EXAMPLE ACTIVITIES:

- 4th year of West Tennessee Switchgrass Project
- 2nd year of Tennessee Biofuels Initiative
- Producer Focus Group Meetings
- Producer Contract Review Sessions
- Switchgrass Contracts With Farmers
OUTCOME FROM SESSIONS:

Help Producers Manage Production, Price and Financial Risks Associated With A New Crop!

TERMS FOR FIRST ROUND OF CONTRACTS:

- Three Year Contract Period
- Payment of $450/ Acre Plus Potential Energy Cost Adjustment
EXAMPLE PRODUCTS:

- Nine (9) Fact Sheets
- Switchgrass Enterprise Budgets for Different Planning Horizons
- Switchgrass Contracting Process and Documents
- Improved Producer and Community Involvement
- Greater Appreciation for Economics and Role of Common Sense!

16 Farmers/ 723 Acres
15 to 136 Acres
58.6 acres
“PRIOR TO PLANTING SWITCHGRASS FOR BIOENERGY, WE HIGHLY RECOMMEND HAVING A FIRM AND SATISFACTORY CONTRACT IN PLACE.”
ROLE OF ECONOMISTS:

- Creative Thinking
- Apply Basic Tools
- Working Collaboratively
- Develop and Deliver Tools and Materials Helpful for Others to Make Informed Choices!
- Unbiased and Reasonable
- Educators vs. Promoters
- Mediators/ Conflict Management/ Cooperative Learning

EXISTING AND EMERGING OPPORTUNITIES:

- Energy Programs
- Economics of Producing Energy Crops/ Systems Thinking
- Impact of Policy Options
- Environmental Impacts
- Social Issues
- Bridge Between Partners in Implementation of Bioeconomy
- Rural Economic Development