

JUNE 2012

DEPARTMENT OF ENERGY RELEASES \$40 MILLION SOLICITATION TO FUND PILOT- AND DEMONSTRATION-SCALE BIOREFINERIES

On June 15, 2012, the Department of Energy (DOE) Biomass Program issued a long-anticipated funding opportunity announcement for innovative pilot- and demonstration-scale advanced biorefineries. As discussed in a recent WSGR Alert,¹ for the foreseeable future, this opportunity is expected to be the only mechanism of its kind to provide funding for the development of pilot- and demonstration-scale biorefinery projects. It is also an integral platform for DOE's contribution to the tri-agency advanced biofuels initiative.

DOE's overall objective under this funding opportunity is to advance technologies that will stabilize the cost of transportation for the American consumer while improving the environmental impact of transportation fuel use, reducing dependence upon imported petroleum, and increasing U.S. employment in the production of fuels and chemical products from renewable resources. Under this program, DOE will fund innovative pilot- or demonstration-scale integrated biorefineries that can produce hydrocarbon fuels that meet or are likely to meet military specifications for JP-5 (jet fuel primarily for the Navy), JP-8 (jet fuel primarily for the Air Force), or F-76 (diesel). These facilities must be integrated such that the finished product can be used directly as a fuel.

Various combinations of feedstocks, conversion technologies, and finished products are eligible for funding, but the primary focus must be on producing advanced biofuels. Projects that solely propose the conversion of biomass into heat and power will not be considered responsive. A "pilot-scale integrated biorefinery" is defined as a facility with a throughput of no less than one dry ton of feedstock per day. A "demonstration-scale integrated biorefinery" is defined as a facility with a throughput of no less than 50 dry tons of feedstock per day. Interested applicants should carefully review the eligible feedstocks and biofuels production requirements that are outlined in the solicitation.

Similar to the requirements of the tri-agency effort under the Defense Production Act (DPA), proposed projects for the DOE solicitation must be located within the United States and use a feedstock from a domestic source. However, this DOE funding opportunity targets technology in earlier stages than the DPA initiative: it is intended to validate new technology at a smaller scale, obtain operational information, validate key process metrics, and/or provide continuous operational data in order to lower the technical risks associated with proceeding to the next development step. Applicants may propose the use of an existing pilot-scale or

demonstration-scale integrated biorefinery, constructing new facilities or making modifications to an existing facility where it is economically and technically advantageous to do so.

Approximately \$20 million is expected to be available for awards under this program in FY 2012, with up to an additional \$20 million available in FY 2013, subject to congressional appropriations. DOE anticipates making two to four awards in FY 2012, with up to three additional awards in FY 2013. On average, awards are anticipated to be \$5 million to \$7 million. Interested applicants are required to submit a three-page concept paper to the DOE portal at <https://eere-exchange.energy.gov/> by July 16, 2012, at 5:00 p.m. ET. The concept paper would then be followed by preparation of a full application, upon invitation by DOE. The full solicitation can be found at <https://eere-exchange.energy.gov/#Foald4fc2a5ec-3cc0-4c58-8e51-8768ef965113>.

For more information regarding opportunities in advanced biofuels, please contact Chris Groobey (cgroobey@wsgr.com), Taite McDonald (tmcdonald@wsgr.com), or another member of Wilson Sonsini Goodrich & Rosati's energy and clean technology practice.

¹ This WSGR Alert, titled "Advanced Biofuels Briefing: Washington Updates and Forthcoming Government Opportunities," is available at <http://www.wsgr.com/WSGR/Display.aspx?SectionName=publications/PDFSearch/wsgralert-advanced-biofuels-briefing-0412.htm>.

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