

USDA Seeks Public Comment on Ethanol Standards

WASHINGTON, July 20, 2007 - The U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration (GIPSA) today published an Advance Notice of Proposed Rulemaking (ANPR) in the Federal Register seeking public comment on whether there is a market need for USDA to establish additional grain quality standards to better describe the type and quality of grain purchased for ethanol production, such as, differentiating corn with a high total fermentable starch content from other corn types.

USDA is also asking whether there is a market need for standards to describe the type and quality of feedstuff produced during the ethanol production process and marketed as various forms of distillers grains. During fermentation, grain starch is converted to ethanol and the remaining nutrients, such as protein, fat, minerals and vitamins end up as distillers grains or condensed distillers solubles. These co-products, such as distillers dried grains (DDG) and distillers dried grains with solubles (DDGS) are often sold as animal feed.

"We have monitored the development of this rapidly expanding industry and now is the appropriate time to seek stakeholder advice in order to foster collaboration among segments of the industry to support the marketing of ethanol co-products, " said GIPSA Administrator James E. Link.

Distillers grains are typically marketed to feed formulators and livestock producers for livestock feeding, primarily for beef, dairy, pork and poultry. One bushel of corn or about 56 pounds produces approximately 2.8 gallons of ethanol and 17 pounds of distillers grains. In 2006 1.8 billion bushels of corn produced 4.9 billion gallons of ethanol and over 26 billion pounds of distillers dried grains.

All interested parties are invited to submit comments and supporting information to aid in GIPSA's evaluation on how we can best facilitate the marketing of distillers grains in today's evolving marketplace. We are seeking comment on market needs and the feasibility and desirability of GIPSA's programs to facilitate the marketing of ethanol co-products.

Comments must be received by September 18, 2007. Comments may be submitted via email to comments.gipsa@usda.gov; regular mail, courier, or hand delivery to Tess Butler, GIPSA, USDA, 1400 Independence Avenue, SW, Room 1647-S, Washington, DC, 20250-3604; fax to (202) 690-2755; or via the Federal eRulemaking Portal at <http://www.regulations.gov>.

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