

## The Biofuel Industry in Southeast – The Implications on Transportation Systems

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The growing importance of research in Biomass materials may transform the regional nature of energy. As the technological barriers that have prevented biomass related energy from being a reliable alternative, the question remains regarding how will these firms both source and distribution the associated inputs and outputs. Traditionally, U.S. production of biofuels has mostly involved the transformation of corn into ethanol and soybean oil into biodiesel. However, other feedstocks, such as sugarcane and cellulosic biomass, represent additional potential biofuel sources. Most of U.S. ethanol production is concentrated in the Midwest, where corn is trucked to nearby ethanol processing facilities. From there, ethanol is shipped throughout the country, including Puerto Rico, using domestic distribution means. In the move to biomass, the southeastern U.S., with its managed forest industry and related agricultural production, has been called the “Saudi Arabia of Biomass”.

As the U.S. biofuel industry develops, there will be corresponding changes in rural transportation, and also in delivery mechanisms from refineries to final markets. These changes will generate additional traffic along the region’s rail, road, and waterway infrastructures. This study seeks to identify the broad issues associated with transportation of biofuel feedstocks and distribution of biofuels from processing plant to retail, and provide some baseline assessment of both the current and short-term drivers of the sector.

The study, by examining the future demand for biofuels will estimate the regional and economic development of the biofuel industry, both considering the related clustering of firms to service the industry as well as the infrastructure investment needs that these facilities may require.